



**CONSOLIDATED PLAN: JULY 1, 2013 – JUNE 30, 2018**

**ACTION PLAN: JULY 1, 2013 – JUNE 30, 2014**

# **Executive Summary**

## **ES-05 Executive Summary**

### **Introduction**

The Consolidated Plan is in effect from July 1, 2013 – June 30, 2018. This plan was developed through a comprehensive statewide effort that included a needs assessment leveraging existing data, input sessions and surveys, and consultations with housing and social service agencies and other entities. The resulting plan and document will be used by the Department of Housing and Community Development (DHCD) to allocate Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), HOME Investment Partnership (HOME), and Housing Opportunities for People with AIDS (HOPWA) program funds within the Commonwealth of Virginia.

### **Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview**

The Commonwealth is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated populations, including African American, Hispanic, Asian, and others. In addition the state has multiple and varying housing and non-housing challenges. These challenges vary substantially from region to region.

The needs assessment and market analysis identified four priority needs:

- Lack of affordable housing
- Lack of housing for special needs populations
- Individuals and families experiencing homelessness
- Barriers to competitive and sustainable communities

Overall DHCD's goals are to target these federal resources (CDBG, ESG, HOME, and HOPWA) and to leverage other state resources to address these needs by:

- Increasing the number of affordable housing units
- Increasing the number of affordable units for special needs populations
- Decreasing the numbers of individuals and families experiencing homelessness
- Creating competitive and sustainable communities

DHCD works with many partners to accomplish these goals. These partners include units of local government, other state agencies, housing developers, CHDOS, nonprofits, and regional planning groups.

While work on these goals is ongoing the Commonwealth will incorporate other specific strategies to help meet these goals. These include a plan to address the barriers to fair housing, a plan to end homelessness, measure to address lead based paint hazards, and anti-poverty measures.

### **Evaluation of past performance**

Over the past five years DHCD has made significant progress toward increasing the number of affordable housing units and working with localities to create competitive and sustainable communities. DHCD will continue activities and initiatives that have proven effective as well as look for opportunities to improve on the work that has been done in the past. One such opportunity for improvement is to increase the focus on creating more affordable units for special needs populations.

In addition, DHCD will continue work to decrease the number of people experiencing homelessness in Virginia. This work will also focus on reducing the length of time people are experiencing homelessness and reducing the number of people that return to homelessness. DHCD will leverage both state and federal (ESG) resources to focus on these goals. This is marked difference from prior years as more funding will be focused on rapid re-housing assistance as opposed to shelter operations.

### **Summary of citizen participation process and consultation process**

Consolidated Plan Input Sessions were held in Winter, 2013. More than 100 individuals participated including participation from:

- Private and public housing providers
- Homeless service and prevention providers
- Regional planning organizations
- Nonprofit and government service providers
- Advocates

The input sessions focused on gathering feedback on priorities and strategies to address the homelessness, housing, and community development needs in Virginia. In addition to these sessions DHCD held a public hearing and accepted public comments.

### **Summary of public comments**

The first comment states that the Consolidated Plan should allow homeowners with disabilities to make necessary home modification to allow them to stay in their homes and not have enter into institutions because of accessibility issues. The second comment is that the Consolidated Plan assist local governments in improving the availability and adequacy of community services, including health care facilities and specifically references the Healing Place.

## **6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments and views were accepted.

## The Process

### PR-05 Lead & Responsible Agencies

#### Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	VIRGINIA	Department of Housing and Community Development (DHCD)

Table 1 – Responsible Agencies

### Narrative

The Department of Housing and Community Development's (DHCD) mission is to create safe, affordable, and prosperous communities to live, work and do business in Virginia.

Through partnerships with local governments, nonprofits, state and federal agencies, and others, DHCD works with communities to develop their economic potential and invests more than \$100 million each year into housing and community development projects throughout the state – the majority of which are designed to help low-to-moderate income citizens.

The agency is also responsible for regulating Virginia's building and fire codes and providing training and certifications for building code officials.

### Consolidated Plan Public Contact Information

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## **PR-10 Consultation**

### **Introduction**

The Commonwealth of Virginia initiated a statewide housing policy initiative in 2010. This initiative established the structure whereby Continuum of Care (CoC), private and public housing providers, and homeless and social service providers including Emergency Solution Grant (ESG) grantees came together to set goals and take action toward these goals. DHCD has played a central role in these efforts and has also specifically consulted with CoCs, ESG grantees, and CDBG grantees as well as gathered broader public input specific to the Consolidated Plan.

### **Summary of the states' activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies**

On April 30, 2010, Governor McDonnell issued Executive Order Number Ten (2010) calling for an active review of a broad set of housing policy issues facing the Commonwealth in order to establish Virginia's first comprehensive executive branch housing policy framework.

These efforts recognized the facts that multiple state agencies, regulatory bodies, and state boards and commissions make policy and take actions that have impacts on housing. The purpose of the housing policy framework would be to establish broad administrative goals and policy direction related to housing, and to use these to better coordinate and align administrative policymaking and initiatives across multiple secretariats within the executive branch.

The guiding principles for the state housing policy and the foundation of the housing policy framework are to:

- Recognize the role of the housing industry as a critical economic development engine within the Commonwealth
- Promote sustainable and vibrant communities
- Ensure the provision of a range of housing options
- Prevent and reduce homelessness in the Commonwealth

The Housing Policy Framework was developed with broad public input and directly involved a large number of persons representing a cross-section of housing interests and geographic regions. The resulting Housing Policy Framework and most importantly the ongoing work will help to enhance coordination between housing providers and private and governmental service agencies.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness**

The Housing Policy Framework resulted in a Homeless Outcomes Advisory Committee Plan that specifically targets reducing homelessness in Virginia by 15 percent in three years (by 2013). The plan was created with representation by Virginia's CoCs and includes many components specifically targeted to address the needs of homeless persons including chronically homeless individuals and families, families with children, veterans, and unaccompanied youth and persons at risk of homelessness.

Virginia is establishing statewide homeless outcome measures and restructuring funding processes to better align local CoCs with state and federal goals to reduce the number of individuals experiencing homelessness, to shorten the length of time persons are homeless, and to reduce the number of people returning to homelessness.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS**

CoCs have provided input into how Virginia is determining the allocation of ESG funds, the development of performance and evaluation outcomes, and the development of policies, and procedures for the administration of HMIS. This input has been provided through three primary methods:

- Input Sessions
- Homeless Outcomes Advisory Committee and subcommittees
- Online survey

DHCD held homeless services input sessions in the November and December of 2012:

- Prince William – November 30, 2012
- Roanoke – December 3, 2012
- Abingdon – December 4, 2012
- Richmond – December 5, 2012
- Richmond – December 6, 2012

- Hampton – December 10, 2012

Over 130 individuals representing localities, service providers, and CoCs participated in the six input sessions held across the state in the Fall of 2012. Sessions focused on gathering feedback on the allocation of homeless services funding, including ESG, administered by state through the Department of Housing and Community Development (DHCD). DHCD gathered input on restructuring fund allocation processes, transforming it from a competitive grantee application to a CoC-based process.

This CoC-based process would allow DHCD to allocate state and federal (ESG and HOPWA) homeless service and prevention funding through 20 Virginia CoCs. Feedback was gathered from CoC participants on the initial application process and CoC requirements for funding. DHCD gathered feedback on CoC requirements for funding eligibility. These requirements included HMIS requirements, written CoC policies and procedures, and the alignment of local CoC strategies with state and federal goals. Based on this input DHCD issued the first CoC-based application in Spring of 2013.

Consolidated Plan Input Sessions were held in Winter, 2013. More than 100 individuals participated including participation from:

- Private and public housing providers
- Homeless service and prevention providers
- Regional planning organizations
- Nonprofit and government service providers
- Advocates

The input sessions focused on gathering feedback on priorities and strategies to address the homelessness, housing, and community development needs in Virginia.

The Governor's initiative calling for a Housing Policy Framework resulted in the formation of the Homeless Outcomes Advisory Committee with broad representation across Virginia's CoCs. The Homeless Outcomes Advisory Committee including representation for Virginia CoCs adopted five goals where work is ongoing. These five goals are:

1. Increase the number of permanent supportive housing units in the Commonwealth
2. Increase flexibility of funding to prevent homelessness and support Rapid Re-housing for individuals and families
3. Increase statewide data collection and system coordination
4. Increase access to substance abuse and mental health services
5. Evaluate, develop and ensure implementation of statewide, pre-discharge policies for the foster care system, hospitals, mental health facilities, and correctional facilities.

In addition to the input sessions and the work of the Homeless Outcomes Advisory committee, DHCD gathered specific input from other state agencies and state and regional planning groups. This input was gathered through a combination of online survey responses and through key contacts at specific agencies. These contacts shared needs assessment data to inform the development of priorities and provided feedback on specific priorities and strategies.

### **Identify any Agency Types not consulted and provide rationale for not consulting**

Both the Homeless Services and Consolidated Plan Input Sessions were broadly announced and open to all participants. DHCD reached out specifically to other state agency where housing policy and service populations overlapped. All input was welcomed but DHCD did not reach out to agencies outside of the human services, housing, community, and economic development domains or without shared client population concerns.

### **Other local/regional/state/federal planning efforts considered when preparing the Plan**

<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>
Continuum of Care	20 Local CoC lead agencies	Each Continuum of Care and the Commonwealth of Virginia's plan seeks to reduce the number of individuals experiencing homelessness; to shorten the length of time individuals experience homelessness; and to reduce the number of individuals returning to homelessness.
Governor's Housing Policy Framework	DHCD/VHDA	The strategic plan and Governor's Housing Policy Framework seek to increase the availability of affordable and accessible housing; reduce the number of individuals experiencing homelessness; to shorten the length of time individuals experience homelessness; to reduce the number of individuals returning to homelessness; and to create competitive and sustainable communities.
Homeless Outcome Advisory Committee Plan	DHCD	Each seeks to reduce the number of individuals experiencing homelessness; to shorten the length of time individuals experience homelessness; and to reduce the number of individuals returning to homelessness.
Opening Doors	US Interagency on Homelessness	The Strategic Plan and Opening Doors overlap in a number of ways. Specifically both are focused on retooling the homeless response system, by transforming homeless services to crisis response systems that prevent homelessness and rapidly return people who experience homelessness to stable housing.



<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>
Department of Justice Settlement Housing Plan	Virginia Behavioral Health and Developmental Services	Both plans include expanding the inventory of affordable and accessible housing.
Virginia Board for Persons with Disabilities 2012	Virginia Board for Persons with Disabilities	The State Plan and the Consolidated Plan Strategic Plan include objectives to increase accessibility features in affordable housing including visitability and universal design standards.
Department of Corrections Virginia Adult Reentry I	Virginia Department of Corrections	Both strategic plans incorporate improved discharge planning.
VHDA Strategic Plan	VHDA	Both strategic plans address housing needs of special needs populations and increase overall affordability.

**Table 3 – Other local / regional / federal planning efforts**

**Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(I))**

DHCD reached out to local governments for participation in the input sessions and the online survey. Many local governments provided valuable information during this process.

## PR-15 Citizen Participation

### Summary of citizen participation process/Efforts made to broaden citizen participation

#### Summarize citizen participation process and how it impacted goal-setting

DHCD included broad public feedback through five input sessions that were held across the state. These inputs sessions and the public hearing were broadly publicized. While there was no attendance at the public hearing, more than 110 individuals participated in the input sessions. This input was considered during the development of the Consolidated Plan.

### Citizen Participation Outreach

Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons
Newspaper Ad	Statewide	On Tuesday, April 9, 2013, the Virginia Department of Housing and Community Development (DHCD) will hold a public hearing on items relating to the Commonwealth of Virginia's administration of the Consolidated Plan 2013 - 2017 and the Action Plan 2013-2014 Action Plan. The public hearing will be held at 11:00 AM until 12:00 Noon on 12th floor of the Main Street Centre, 600 East Main Street, Richmond, Virginia 23219. DHCD will be taking comments on the proposed Five Year Consolidated Plan and the 2013-2014 Action Plan including goals and objectives for housing, homelessness, and community development; the projected use of funding; the method for distributing an anticipated \$7,258,158 in HOME Investment	Attendance at public hearings tends to be low. DHCD conducts program-specific and Consolidated Plan public meetings to gathering input. These are better attended and precede any public hearing scheduled.	No comments received.

Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons
		Partnership funds; \$3,012,708 in Emergency Shelter Grant (ESG) funds; \$727,609 in Housing for Persons with AIDS (HOPWA) funds, and \$16,495,737 in Community Development Block Grant (CDBG) funds. Copies of plan documents may be requested by calling (804) 371-7100, (804) 371-7122, or (804) 371-7084 TDD. Persons requiring special accommodations should call (804) 371-7122. The Plans will appear on the agency's web site at <a href="http://www.dhcd.virginia.gov">http://www.dhcd.virginia.gov</a> under "What's New." The Department will receive written comments and testimony on the proposed Consolidated Plan and 2013-2014 Action Plan through the close of business on May 10, 2013 at the following address: Virginia Department of Housing and Community Development Attention: Lyndsi Austin, Main Street Centre, 600 East Main Street, Suite 300, Richmond, Virginia 23219		
Public Meeting	Statewide (five locations)	DHCD held five input sessions whereby DHCD stakeholders and the public were invited to attend. Sessions were held in Richmond, Roanoke, Abingdon, Hampton, and Prince William. More than 110 individuals participated. DHCD gathered input through real-time survey technology where	Responses and comments are available online. Two comments were received in addition to those gathered through the input sessions. The first comment states that the Consolidated Plan should	Comment One: The Consolidated Plan should allow homeowners with disabilities to make necessary home modification to allow them to stay in the homes and not have to go into institutions

Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons
		participants were asked to respond to specific questions. DHCD staff also recorded responses to open-ended questions where individuals could share comments or suggestions.	allow homeowners with disabilities to make necessary home modification to allow them to stay in the homes and not have to go into institutions because of accessibility issues. The second comment is that the Consolidated Plan assist local governments in improving the availability and adequacy of community services, including health care facilities and specifically references the Healing Place.	because of accessibility issues. Response One: Accessibility-only modifications are not eligible HOME program activities. DHCD has incorporated visitability and universal design standards into the Affordable and Special Needs Program design. Comment Two: The Consolidated Plan should assist local governments in improving the availability and adequacy of community services, including health care facilities and specifically references the Healing Place. Response Two: Health Care facilities are an allowable activity under the CDBG program. DHCD will evaluate proposals submitted by the local government.

**Table 4 – Citizen Participation Outreach**

# Needs Assessment

## NA-05 Overview

### Needs Assessment Overview

Regional differences result in varying housing and community development needs across the state. While Virginia's population grew nine percent in a decade between 2000 and 2010, the growth is not evenly distributed in Virginia. An aging population slowed growth in some areas while strong job growth supported increases in other areas. In the Greater Richmond, Charlottesville-Central Valley, and the Roanoke-Blacksburg-Lynchburg regions growth slowed due to an aging population. The Northern Virginia region is characterized by a relatively young population and strong job growth. These factors supported a high rate of natural population increase and net migration, accounting for a significant proportion of the overall growth in Virginia population over the past ten years. In the Tidewater area military cut-backs and an out-flow of college-age individuals has reduced overall population growth in Tidewater. Virginia's Southern Region is in decline due to the aging population and weak economy (VHDA, August 2011, Summary of Major Regional Growth Trends 2000 to 2010).

## NA-10 Housing Needs Assessment

### Summary of Housing Needs

In Virginia many households struggle to obtain affordable housing, resulting in many spending 30 percent or more of their household income on housing costs. This cost burden is especially an issue for Black/ African American and elderly households.

Demographics	2000 Census (Base Year)	2005-2009 ACS (Most Recent Year)	% Change
Population	7,078,515	7,721,730	9%
Households	2,699,173	2,936,634	9%
Median Income	\$46,677.00	\$60,316.00	29%

**Table 5 - Housing Needs Assessment Demographics**

Alternate Data Source Name:  
2000 and 2010 Census Data SF1

### Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	327,510	311,315	430,605	307,385	
Small Family Households *	100,580	107,945	173,710	1,016,655	
Large Family Households *	17,825	20,940	32,380	148,845	
Household contains at least one person 62-74 years of age	53,665	57,760	75,640	49,355	232,035
Household contains at least one person age 75 or older	61,040	60,480	57,920	29,515	104,640
Households with one or more children 6 years old or younger *	59,390	52,775	76,610	294,805	
* the highest income category for these family types is >80% HAMFI					

**Table 6 - Total Households Table**

Data Source: 2005-2009 CHAS

## Housing Needs Summary Tables for several types of Housing Problems

### 1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Substandard Housing - Lacking complete plumbing or kitchen facilities	4,465	2,410	2,185	835	9,895	1,835	1,165	1,640	850	5,490
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	2,235	1,955	1,625	850	6,665	250	475	485	445	1,655
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	5,585	4,375	4,335	2,150	16,445	1,140	1,780	2,830	1,845	7,595
Housing cost burden greater than 50% of income (and none of the above problems)	118,065	39,835	7,845	1,415	167,160	66,700	45,375	36,760	16,195	165,030
Housing cost burden greater than 30% of income (and none of the above problems)	21,220	67,660	63,430	19,590	171,900	23,670	37,355	70,860	55,755	187,640
Zero/negative Income (and none of the above problems)	12,840	0	0	0	12,840	8,615	0	0	0	8,615

**Table 7 – Housing Problems Table**

Data Source: 2005-2009 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Having 1 or more of four housing problems	130,350	48,575	15,990	5,250	200,165	69,925	48,795	41,715	19,335	179,770
Having none of four housing problems	58,520	103,010	159,835	99,175	420,540	47,260	110,940	213,060	183,625	554,885
Household has negative income, but none of the other housing problems	12,840	0	0	0	12,840	8,615	0	0	0	8,615

**Table 8 – Housing Problems 2**

Data Source: 2005-2009 CHAS

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Small Related	54,845	46,970	29,830	131,645	24,335	30,890	51,715	106,940
Large Related	10,195	7,430	3,820	21,445	4,050	7,835	11,025	22,910
Elderly	27,995	17,495	8,910	54,400	44,250	30,080	24,145	98,475
Other	55,340	41,455	30,745	127,540	19,800	15,840	22,680	58,320
Total need by income	148,375	113,350	73,305	335,030	92,435	84,645	109,565	286,645

**Table 9 – Cost Burden > 30%**

Data Source: 2005-2009 CHAS



#### 4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Small Related	46,645	15,710	2,565	64,920	20,445	18,750	16,970	56,165
Large Related	8,525	2,230	380	11,135	3,430	4,555	3,395	11,380
Elderly	21,465	7,175	2,155	30,795	28,020	13,135	8,470	49,625
Other	48,510	16,280	3,145	67,935	16,280	9,865	8,355	34,500
Total need by income	125,145	41,395	8,245	174,785	68,175	46,305	37,190	151,670

**Table 10 – Cost Burden > 50%**

Data Source: 2005-2009 CHAS

#### 5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Single family households	6,580	5,445	4,605	2,260	18,890	1,135	1,750	2,500	1,680	7,065
Multiple, unrelated family households	895	615	955	500	2,965	250	485	810	620	2,165
Other, non-family households	495	385	455	255	1,590	15	30	19	4	68
Total need by income	7,970	6,445	6,015	3,015	23,445	1,400	2,265	3,329	2,304	9,298

**Table 11 – Crowding Information**

Data Source: 2005-2009 CHAS

## **What are the most common housing problems?**

The most common housing problem in Virginia is being “cost burdened.” This is defined as having housing costs greater than 30 percent of household income. In Virginia 171,900 households are cost burdened. The majority (131,090 or 76 percent) are households at 30 - 80 percent AMI. A total of 167,160 are considered “severely cost burdened” or having housing costs greater than 50 percent of household income. Most (70 percent) of these households are at or below 30 percent AMI.

## **Are any populations/household types more affected than others by these problems?**

The most housing problems are experienced by lower income households, but an aging population and barriers to fair housing also contribute to overall housing challenges. Low income renter and homeowner households are more likely to have at least one housing problem (lacks kitchen or complete plumbing, severe overcrowding, severe cost burden). Housing problems overall tend to impact renter household as compared to homeowners. Eighty- nine percent of rental households with at least one housing problem were 50 percent or below area median income (AMI), 65 percent were 30 percent or below AMI. Sixty-six percent of homeowner households with at least one housing problem were 50 percent or below AMI. A total of 782,050 or 57 percent of Virginia households contain at least one person 62 or older (2005 - 2009 CHAS). Forty percent of these are households have at least one person 75 or older. Demographic projections show that by 2030 the number of older Virginian’s will double and will grow from 12 to 18 percent of the total population (2009, Second Annual Summary of Reports in Progress in Addressing the Impacts of Aging Population by State Agencies). Sixteen percent of renter households and 34 percent of homeowner households that are considered costs burdened or paying more than 30 percent of their household income on housing are elderly households (one or two person households where the householder or spouse is age 62 or greater). This is important because aging in place in adequate housing is not only preferred but delays more expensive housing options such as assistance living and nursing homes. The American Association for Retired Persons (AARP) defines adequate housing for older adults as:

- Affordable (no more than 30 percent of household income)
- Structurally and mechanically safe and sound housing
- Have housing features that meet the physical needs of the older residents and their guests
- Located in a safe community that provides adequate transportation options, access to employment opportunities, access services, and opportunities for social engagement

Equally important are barriers to fair housing. Black/ African American households tend to experience housing problems at a greater rate as compared to white households. While Black/African Americans make up 20 percent of Virginians, 28 percent of all households experiencing one or more housing problem are Black/ African American households.

**Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance**

Families living in poverty spend a higher proportion of their household income on basic necessities. The median poor household in Virginia spends more than two-thirds of household income on housing costs. On average these families have fewer assets (cars, house, savings) to leverage during a crisis. Many (56 percent) of these families are single female-headed households (2010 American Community Survey). While it is difficult to predict which families will become homeless, many who do, report staying with families or friends as their prior living situation. For those families that do become homeless most transition to permanent housing with little or no ongoing homeless services. These families may have established or re-established a support system that likely includes at least some mainstream resources. A smaller number of families, particularly those with disabilities will require longer-term rental subsidies and support services. In addition both families at-risk and formerly homeless commonly need transportation; employment opportunities; affordable child care; and access to mental health and substance abuse services.

**If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

The jurisdiction does not have estimates of the at-risk population but defines this population as a person who will imminently lose primary residence within 14 days and meets both of the following circumstances:

- No appropriate subsequent housing options have been identified
- Household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

**Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

Substandard housing or housing with one or more housing problems including cost burdened are linked to instability and an increased risk of homelessness.

## NA-15 Disproportionately Greater Need: Housing Problems

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### 0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	245,165	60,885	21,455
White	134,490	35,840	12,535
Black / African American	80,150	20,985	5,695
Asian	8,985	1,395	1,720
American Indian, Alaska Native	900	245	95
Pacific Islander	70	20	14
Hispanic	16,280	1,590	960

**Table 12 - Disproportionally Greater Need 0 - 30% AMI**

Data Source: 2005-2009 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

### 30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	202,385	108,935	0
White	110,640	79,715	0
Black / African American	59,935	22,100	0
Asian	8,240	2,175	0
American Indian, Alaska Native	715	350	0
Pacific Islander	45	95	0
Hispanic	19,295	3,430	0

**Table 13 - Disproportionally Greater Need 30 - 50% AMI**

Data Source: 2005-2009 CHAS

### 50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	191,995	238,605	0
White	116,800	169,525	0
Black / African American	50,575	52,985	0
Asian	7,640	4,130	0
American Indian, Alaska Native	515	675	0
Pacific Islander	255	165	0
Hispanic	13,385	8,730	0

**Table 14 - Disproportionally Greater Need 50 - 80% AMI**

Data Source: 2005-2009 CHAS

### 80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	99,930	207,445	0
White	64,800	149,170	0
Black / African American	18,965	42,695	0
Asian	6,230	5,020	0
American Indian, Alaska Native	200	470	0
Pacific Islander	180	150	0
Hispanic	8,030	7,995	0

**Table 15 - Disproportionally Greater Need 80 - 100% AMI**

Data Source: 2005-2009 CHAS

## NA-20 Disproportionately Greater Need: Severe Housing Problems

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### 0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	200,275	105,780	21,455
White	107,680	62,650	12,535
Black / African American	65,210	35,925	5,695
Asian	8,090	2,295	1,720
American Indian, Alaska Native	730	420	95
Pacific Islander	70	20	14
Hispanic	14,810	3,070	960

**Table 16 – Severe Housing Problems 0 - 30% AMI**

Data Source: 2005-2009 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

### 30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	97,370	213,950	0
White	53,380	136,975	0
Black / African American	25,785	56,245	0
Asian	5,145	5,275	0
American Indian, Alaska Native	375	690	0
Pacific Islander	35	100	0
Hispanic	11,055	11,665	0

**Table 17 – Severe Housing Problems 30 - 50% AMI**

Data Source: 2005-2009 CHAS

### 50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	57,705	372,895	0
White	33,480	252,840	0
Black / African American	13,560	89,995	0
Asian	3,375	8,390	0
American Indian, Alaska Native	165	1,025	0
Pacific Islander	55	360	0
Hispanic	6,025	16,090	0

**Table 18 – Severe Housing Problems 50 - 80% AMI**

Data Source: 2005-2009 CHAS

### 80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	24,585	282,800	0
White	14,510	199,465	0
Black / African American	4,170	57,485	0
Asian	2,320	8,925	0
American Indian, Alaska Native	39	630	0
Pacific Islander	10	325	0
Hispanic	3,140	12,885	0

**Table 19 – Severe Housing Problems 80 - 100% AMI**

Data Source: 2005-2009 CHAS

## NA-25 Disproportionately Greater Need: Housing Cost Burdens

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	1,998,030	549,035	366,980	22,585
White	1,526,515	348,120	210,060	13,005
Black / African American	308,665	129,240	99,415	5,990
Asian	68,835	27,260	19,855	1,825
American Indian, Alaska Native	4,290	1,225	1,245	110
Pacific Islander	900	520	140	14
Hispanic	68,470	34,820	29,810	1,205

**Table 20 – Greater Need: Housing Cost Burdens AMI**

**Data Source:** 2005-2009 CHAS



## **NA-30 Disproportionately Greater Need: Discussion**

### **Income categories in which a racial or ethnic group has disproportionately greater need**

Black/ African American households tend to experience housing problems at a greater rate as compared to white households. While Black/African Americans make up 20 percent of Virginians, 28 percent of all households experiencing one or more housing problem are Black/ African American households. Black/African American households have disproportionately greater needs at lower incomes. While 19 percent of all households with one or more housing problem between 80 and 100 AMI are Black/ African American, 26 percent of those at 50-80 percent AMI, 30 percent of those 30-50 percent AMI, and 33 percent of households with income 30 percent or below AMI are Black/African American households.

### **Needs not previously identified**

Not applicable.

### **Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?**

This Consolidated Plan is for a State grantee. The Commonwealth is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated populations, including African American, Hispanic, Asian, and others. The Commonwealth's method of distribution selects projects and proposals targeted at meeting priority local needs and during implementation, steps are taken to affirmatively further fair housing.

## NA-35 Public Housing

### Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	1	507	18,129	44,026	1,047	41,536	386	380	527
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five_year, and Nursing Home Transition									

Table 21 - Public Housing by Program Type

Data Source: PIC (PIH Information Center)

### Characteristics of Residents

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Average Annual Income	8,088	116,227	312,738	515,938	155,625	517,014	193,078	117,138	123,996
Average length of stay	2	45	158	213	39	217	4	27	66
Average Household size	1	13	49	81	21	81	19	27	10
# Homeless at admission	0	5	280	151	36	79	7	29	0
# of Elderly Program Participants (>62)	0	104	3,635	7,681	426	7,103	41	20	71
# of Disabled Families	1	229	3,656	12,206	234	11,271	151	75	450
# of Families requesting accessibility features	1	507	18,129	44,026	1,047	41,536	386	380	527

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five_year, and Nursing Home Transition									

**Table 22 – Characteristics of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

## Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	155	3,259	12,613	230	11,849	90	172	231
Black/African American	1	348	14,481	30,316	738	28,722	291	193	269
Asian	0	3	319	884	72	777	1	10	19
American Indian/Alaska Native	0	1	41	101	5	88	3	2	3
Pacific Islander	0	0	29	112	2	100	1	3	5
Other	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five_year, and Nursing Home Transition									

**Table 23 – Race of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

## Ethnicity of Residents

Race	Certificate	Mod-Rehab	Public Housing	Program Type					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	16	379	1,711	50	1,547	31	55	22
Not Hispanic	1	491	17,750	42,315	997	39,989	355	325	505
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five_year, and Nursing Home Transition									

**Table 24 – Ethnicity of Public Housing Residents by Program Type**

**Data Source:** PIC (PIH Information Center)

## NA-40 Homeless Needs Assessment

### Introduction

In Virginia it is estimated that as many as 37,000 individuals will experience homelessness at some point during the year. A total of 8424 were actual homeless during the 2012 Point-in-Time (PIT) count. The homelessness in Virginia is varied as Virginia has both densely populated metropolitan areas with relatively high concentrations of homelessness and a significant rural areas where homelessness is less visible however none the less a serious problem.

### Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	3,196	144	15,030	0	0	0
Persons in Households with Only Children	7	0	31	0	0	0
Persons in Households with Only Adults	3,792	1,285	22,846	0	0	0
Chronically Homeless Individuals	969	562	0	0	0	0
Chronically Homeless Families	0	0	0	0	0	0
Veterans	727	154	0	0	0	0
Unaccompanied Child	5	0	0	0	0	0
Persons with HIV	67	17	0	0	0	0

**Table 25 - Homeless Needs Assessment**

**Alternate Data Source Name:**

Point-in-Time Count 2012

Data was not available for all categories. The total "estimate experiencing homelessness each year" was determined by using the notion that homelessness is generally

**Data Source Comments:**

4-5 times the amount PIT on a yearly basis. The total number was multiplied by 4.5.

Population includes Rural Homeless:     Some

### **Jurisdiction's Rural Homeless Population**

The rural homeless population consists of more individuals in families than single individuals. Homeless individuals and families are likely to have stayed with family and friends prior to becoming homeless. Shelters and services are fewer and further between in the rural areas of Virginia. Lack of viable transportation is a common barrier for individuals and families experiencing homelessness. Rural homelessness also tends to be less concentrated and visible as compared to urban areas of the state. High unemployment, inadequate income, and lack of access to services are contributing factors that can lead to rural homelessness.

### **For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction**

In Virginia 31 percent of individuals are minorities, however more than 60 percent of Virginia's homeless population (2011 Statewide PIT Counts) are minorities. Based on the household served through the Commonwealth's 2011 - 2012 State Shelter Grant program more than half (53 percent) were Black/African American, based on reported race of head of household. Six percent indicated either "other" or more than one race or five percent reported being of Hispanic origin.

### **If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):**

Between 2010 and 2013 the number of individuals experiencing homelessness has decreased by ~13 percent. The state has leveraged federal and state rapid re-housing resources and other measures to reduce the number of individuals experiencing homelessness; to shorten the length of time individuals experience homelessness; and to reduce the number of individuals returning to homelessness. While these efforts have resulted in improved outcomes in Virginia, the Commonwealth continues to work to further improve state homelessness outcomes.

## **Nature and Extent of Homelessness by Racial and Ethnic Group**

In Virginia based on the 2012 Point-in-Time Count (PIT) a total of 8,424 individuals were experiencing homelessness. The PIT is a snap shot of homelessness that seeks to count all sheltered and unsheltered individuals experiencing homelessness in one 24 hour period of time. Most (6,995 or 83 percent) of these individuals were staying in a shelter on the night of the count. The remaining 1429 (or 17 percent) were on sheltered for that night. Most (60 percent) experiencing homelessness were in either single individuals or adult-only households. Twenty-five percent of these persons were unsheltered on the night of the count. The remaining 40 percent were in households with at least one adult and child (only four percent of these persons were unsheltered).

## **Nature and Extent of Unsheltered and Sheltered Homelessness, including Rural Homelessness**

Between 2010 and 2013 the number of individuals experiencing homelessness has decreased by ~13 percent. The state has leveraged federal and state rapid re-housing resources and other measures to reduce the number of individuals experiencing homelessness; to shorten the length of time individuals experience homelessness; and to reduce the number of individuals returning to homelessness. While these efforts have resulted in improved outcomes in Virginia, the Commonwealth continues to work to further improve state homelessness outcomes.

## **Discussion**

Between 2010 and 2013 the number of individuals experiencing homelessness has decreased by ~13 percent. The state has leveraged federal and state rapid re-housing resources and other measures to reduce the number of individuals experiencing homelessness; to shorten the length of time individuals experience homelessness; and to reduce the number of individuals returning to homelessness. While these efforts have resulted in improved outcomes in Virginia, the Commonwealth continues to work to further improve state homelessness outcomes.

## NA-45 Non-Homeless Special Needs Assessment

### HOPWA

<b>Current HOPWA formula use:</b>	
Cumulative cases of AIDS reported	3,677
Area incidence of AIDS	128
Number of new cases prior year (3 years of data)	429
Rate per population	5
Rate per population (3 years of data)	6
<b>Current HIV surveillance data:</b>	
Number of Persons living with HIC (PLWH)	3,581
Area Prevalence (PLWH per population)	145
Number of new HIV cases reported last year	0

Table 26 – HOPWA Data

Data Source: CDC HIV Surveillance

### HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	83
Short-term Rent, Mortgage, and Utility	111
Facility Based Housing (Permanent, short-term or transitional)	4

Table 27 – HIV Housing Need

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

### Characteristics of Special Needs Populations



The number of Virginians with disabilities is expected to increase due to an increase in life expectancy and aging baby boomers. The overall rate of disabilities in a population increases with age. While only fewer than five percent of Virginians 30 or younger report a disability, one in every three 65 and over report having at least one disability (Weldon Cooper Center for Public Services found at <http://statchatva.org/2012/12/19/more-disabled-virginian/>). While the rate of disabilities in the population does increase with age, more than half of Virginians with at least one disability are working age (16 - 64). These individuals tend to be older and are more likely to be Black/African American. They also tend to have lower levels of education, be out of the work force, and rely on public assistance. The highest rates are in parts of Southwest, Southside, and Valley regions (Weldon Cooper Center for Public Services founds at <http://www.coopercenter.org/demographics/publications/working-age-virginians-disabilities>).

### **Housing and Supportive Service Needs and Determination**

Overall housing and supportive services needs include:

- Home modifications and home accessibility features
- Access to transportation
- Rental subsidies
- Access to home and community based services

Based on the Department of Behavioral Health and Developmental Services (DBHDS) State Plan these needs include:

- Permanent supportive housing
- Access to affordable housing with appropriate supports for individuals with mental health, substance use, or co-occurring disorders
- Community-based housing options for individuals receiving developmental services that reflect Virginia's "person-centered" vision.

A growing share of need is among senior homeowners aging in place, extremely low income senior renters, and older seniors needing service enriched housing options. These seniors need home repair/improvement, rental assistance, and residential support service. Notable challenges - seniors are becoming more concentrated in suburban neighborhood. Suburban housing stock tends to lack accessibility features, is costly to maintain, and lack access to public transportation. Also notable - while the demand is for community housing (non-institutional independent living) and for aging in place current support service systems are not necessarily designed to provide home and community based services.

### **Public Size and Characteristics of Population with HIV / AIDS**

Based on the Virginia Department of Health 2011 Annual HIV/AIDS Surveillance Report, there were 23,808 cases of HIV Disease. Seventy-four percent were males, 26 percent female. Sixty percent of the cases were Black/African American and 30 percent White; 7 percent reported as Hispanic. The Eastern (18.5) and Central (16.5) part of the state reported the highest rates of new cases. The state HOPWA program served 281 individuals (271 households) with HIV/AIDS and an additional 225 household members with housing assistance. Sixty-seven percent were in households with income 0-30 percent AMI. Sixty percent of those with HIV/AIDS were black/African American and 37 percent were white. Four percent were Hispanic.

## **NA-50 Non-Housing Community Development Needs**

### **Public Facilities**

DHCD prioritizes outcome based projects, those projects which will effect fundamental change. Of particular interest are projects which fill a significant gap in existing services, provide clear and measurable benefit, and which will help make the community more self-sufficient. For example, there is a very visible lack of access to critical community service facilities such as health and dental providers. The ability to find affordable healthcare is a significant challenge, particularly in the Commonwealth's rural regions, and there is a scarcity of general practitioners, specialists, dentists, and mental health professionals, a factor which places those communities at a severe disadvantage in terms of competitiveness and ability to create a healthy environment. In addition to placing a high value on these projects, DHCD is also working with regional health care organizations, the Virginia Health Department (VDH), the University of Virginia (UVA) Office of Telemedicine, and community colleges to identify resources and training to address the need for health care facilities in medically underserved areas. Solutions range from increased training opportunities in the healthcare field, efforts to develop physical facilities to house medical clinics, telemedicine equipment to bring healthcare specialists into remote communities, programs to bring trained professionals to the area, and support to facilitate the creation of organizations, like Healthy Appalachia, which is working to create a unified and strategic plan for addressing healthcare issues in Southwest Virginia. Overall, DHCD works to help provide physical facilities that target low and moderate income persons in areas that are not conveniently served. These facilities can provide services such as day care for elderly or disabled populations, health clinics, or dental clinics. DHCD works to help community's asses their community service needs and then works to help to build the facility and develop programs that will address the most urgent community needs.

### **Need Determination**

From a state perspective there is not a documented source which quantifies the demand across all of the eligible types covered under the term public facility. As a state agency, DHCD encounters a wide range of community development issues and does not seek to develop program priorities on such a broad level. Instead, programs and policies are designed to be flexible and responsive to meet the challenges faced by Virginia's communities. Due to the nature of how DHCD has prioritized investment decisions, projects are expected to target the locality's highest community development need. Only projects which meet identified community needs, and where the community demands a solution, are considered. Additionally, DHCD puts a premium on meeting the needs of its customers and as such, expect communities to undertake an evaluation of their needs and in turn, develop a plan to address those needs. Since DHCD serves such a large geographic area and a very diverse client base it does not seek to inventory all potential areas of need but instead, partner with localities in the identification of issues, help with the prioritization, and develop solutions to address those needs.

### **Public Improvements**

Access to safe, reliable drinking water continues to be a critical need in many rural parts of Virginia. Due to the limited number of customers, small public water systems are not able to generate enough revenue to pay additional technical staff, make infrastructure improvements, pay debts, or even meet national drinking water standards. Unlike municipalities with general taxation authority, many of the small water systems in rural Virginia can only raise revenue through user and connection fees. Often there have not been rate increases to provide sufficient revenue to properly manage and maintain these systems, resulting in infrastructure which is inadequate and failing. Additionally, challenges posed by the geography and terrain often prohibit the installation of conventional wastewater systems, resulting in the need for alternative systems which are generally far more expensive and which carry their own set of maintenance issues. DHCD has successfully partnered with other state agencies, such as the Virginia Department of Health, to introduce small-scale, innovative solutions in areas where geography has previously limited the ability to provide a more conventional solution. Additionally, small water systems in rural Virginia have fractured and uncoordinated delivery systems, which would benefit from greater consolidation. These conditions lead to higher monthly utility bills on average. Much of the existing financing for small water systems is in the form of loan programs, making it difficult for communities to finance needed improvements or to expand services. Given the increasing cost of maintaining and expanding water systems, small water systems are dependent upon direct grant funding which are becoming scarcer each year.

DHCD also has worked closely with localities to conduct extensive research into communities which are lacking public water and sewer infrastructure to identify the extent of need, develop potential solutions to those needs, and prioritize construction projects to address identified needs. The Commonwealth has also developed innovative ideas to help bring water and wastewater infrastructure to needy communities. For example, Virginia has received national recognition for its innovative Self-Help Virginia program, a resource for small communities to meet the challenge of creating viable and affordable water and wastewater systems. Through CDBG, Self-Help uses a problem-solving, dollar-saving approach that is outcome oriented. The goal of the program is to utilize neighborhood talent, manpower and creativity to provide water and sewer services in areas where those services are difficult to provide through conventional means. In the process, the program stretches limited financial resources to assist more communities than would be otherwise possible. As a result of the collaborative effort more than 1,500 households have received water and/or sewer service. These projects represent an investment of over 140,000 man-hours of volunteer time and labor resulting in the installation of more than 145 miles of water pipe. The cumulative retail total of the construction completed to date is in excess of \$25,000,000 and has been completed for approximately \$10,000,000, or 40% of the conventional cost.

Another critical component of economic development is the need to close the gap in the availability of affordable broadband telecommunication services. Because of the critical role broadband plays in the deployment of advanced applications, widespread access to broadband services is vital to the economic well-being of the Commonwealth of Virginia. DHCD has invested in extensive planning efforts to assess community needs, aggregate demand, identify local assets for leveraging, map existing telecomm infrastructure, and develop plans to deliver broadband services.

## **Need Determination**

DHCD has worked extensively with communities across the Commonwealth to conduct region-wide assessments to identify where infrastructure, specifically water, sewer, and broadband, are available. These studies identify the community need from a quality of life and also economic development perspective to help prioritize future investments. While DHCD has taken a lead role in this effort with many communities, other state agencies, such as the Departments of Health and Environmental Quality, also help to quantify the need for infrastructure improvements. Additionally, state agencies such as the Department of Transportation and Virginia Economic Development Partnership assist communities in identifying and developing a stronger infrastructure, particularly support of enhanced economic development opportunities.

However, it should again be stated that as a state agency, DHCD encounters a wide range of community development issues and does not seek to develop program priorities on such a broad level. Instead, programs and policies are designed to be flexible and responsive to meet the challenges faced by Virginia's communities. Due to the nature of how DHCD has prioritized investment decisions, projects are expected to target the locality's highest community development need. Only projects which meet identified community needs, and where the community demands a solution, are considered. Additionally, DHCD puts a premium on meeting the needs of its customers and as such, expect communities to undertake an evaluation of their needs and in turn, develop a plan to address those needs. Since DHCD serves such a large geographic area and a very diverse client base it does not seek to inventory all potential areas of need but instead, partner with localities in the identification of issues, help with the prioritization, and develop solutions to address those needs.

## **Public Services**

DHCD recognizes there is a need for skill building and workforce training facilities to serve unemployed and youth populations. Parts of Virginia have seen significant manufacturing job losses including Southwest and Southside Virginia. Providing skills to these underserved populations can increase the job potentials for unemployed workers but it also increases economic development options for the community. DHCD has partnered with universities, community colleges, non-profits and localities across the state to develop work force training. In its approach to skill building, DHCD seeks to very specifically target the needs of employers and potential employees, and build certification, training, and curricula to bridge those needs. Essential in this process is the active participation of local government officials, community college and other education representatives, private sector business and industry, and prospective students. DHCD has also emphasized the importance of fostering a strong entrepreneurial economy, one which seeks to grow local talent and create opportunities for small business ideas. Beyond helping to ensure access to capital is addresses is the need to provide a strong support network to provide technical assistance, such as mentoring, partnering, and business plan development.

## **Need Determination**

From a state perspective there is not a documented source which quantifies the demand across all of the eligible types covered under the term public facility. As noted in other sections, numerous other state agencies take a lead role in helping to identify and address needs such as

employment training, health services, transportation services, and more. DHCD works closely with those agencies where appropriate to leverage technical and financial resources, and often work completed by those entities serve as a jumping off point for prioritizing areas where DHCD can assist. However, as a state agency, DHCD encounters a wide range of community development issues and does not seek to develop program priorities on such a broad level. Instead, programs and policies are designed to be flexible and responsive to meet the challenges faced by Virginia's communities. Due to the nature of how DHCD has prioritized investment decisions, projects are expected to target the locality's highest community development need. Only projects which meet identified community needs, and where the community demands a solution, are considered. Additionally, DHCD puts a premium on meeting the needs of its customers and as such, expect communities to undertake an evaluation of their needs and in turn, develop a plan to address those needs. Since DHCD serves such a large geographic area and a very diverse client base it does not seek to inventory all potential areas of need but instead, partner with localities in the identification of issues, help with the prioritization, and develop solutions to address those needs.

# Housing Market Analysis

## MA-05 Overview

### Housing Market Analysis Overview:

The housing market in Virginia varies significantly region by region. The 2008-2009 housing crisis was most pronounced in the Northern Tier region, the state's most populous and high housing cost area, with high foreclosure rates and significant numbers of distressed homes. The Greater Richmond and Hampton Roads/Chesapeake Bay regions also experienced high rates of foreclosures but the foreclosure crisis in these and other regions of the state was due more to the impacts of the recession than due to the hyper-inflated real estate market of the Northern Tier region. Similarly, the foreclosure crisis peaked earlier in the Northern Tier than it did in the remainder of the state (Virginia Housing Market Overview, Virginia Housing Development Authority, October 2010). Throughout 2012, the number of foreclosures continued to decline quarter by quarter across the state. According to the Virginia Association of Realtors, 2012 also saw an increase of seven percent in the median sales price of single family homes from 2011, with the median price rising from \$225,000 to \$240,000. However, the majority of this increase took place in the Northern Virginia region and to a much lesser extent in the Hampton Roads/Chesapeake Bay and Central Virginia regions. The remaining areas of the state had less than a one percent increase in the median sales price between 2011 and 2012 (Pieces of Home: 2012 Virginia Housing Market Report, Virginia Association of Realtors, February 2013). Renter households make up 32 percent of all households in Virginia according to the National Low Income Housing Coalition. The rental housing market in Virginia currently lacks a sufficient number of affordable units for extremely low income renters and many extremely low income (ELI) renters are cost burdened. ELI households make up 21 percent of all renter households and there is currently a shortage of almost 140,000 affordable and available units for these households. This problem is most pronounced in the Northern Virginia, Hampton Roads/Chesapeake Bay, and Central Virginia regions (State Housing Profile: Virginia, National Low Income Housing Coalition, March 2013).

## MA-10 Number of Housing Units

### Introduction

The supply of housing stock is varied across Virginia. Single family detached structures make up the majority of the housing stock throughout the state. Urban areas contain more of the 20+ unit multi-family structures, while rural areas are more likely to have more single family detached structures and smaller multi-family properties. During the height of the foreclosure crisis, demand increased in the multi-family rental market resulting in low vacancy rates and increasing rents (Pieces of Home: 2012 Virginia Housing Market Report, Virginia Association of Realtors, February 2013). The state will continue to deal with an excess inventory of foreclosed homes over the next few years while the recovery from the housing crisis continues (Virginia Housing Market Overview, Virginia Housing Development Authority, October 2010).

### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	2,044,533	63%
1-unit, attached structure	330,593	10%
2-4 units	146,909	5%
5-19 units	348,706	11%
20 or more units	203,055	6%
Mobile Home, boat, RV, van, etc	190,262	6%
<b>Total</b>	<b>3,264,058</b>	<b>100%</b>

Table 28 – Residential Properties by Unit Number

Data Source: 2005-2009 ACS Data

### Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	2,550	0%	20,606	2%
1 bedroom	36,592	2%	196,334	22%
2 bedrooms	301,780	15%	380,246	42%
3 or more bedrooms	1,690,043	83%	308,483	34%



	Owners		Renters	
	Number	%	Number	%
<b>Total</b>	<b>2,030,965</b>	<b>100%</b>	<b>905,669</b>	<b>100%</b>

**Table 29 – Unit Size by Tenure**

Data Source: 2005-2009 ACS Data

## Number and Targeting of Units

The Virginia Department of Housing and Community Development (DHCD) utilizes several programs to further its goal of building affordable and sustainable communities. Through the Affordable and Special Needs Housing (ASNH) program, a HOME funded program, DHCD provides financial resources to support the preservation and/or production of affordable housing units targeted to low income households. Incentives are given to those projects that will provide units for special needs populations, those that exceed accessibility requirements, are based on universal design standards, and/or are Earth Craft or Leed Certificated. Between 12 - 15 projects are funded annually and in 2011 - 2012 these activities resulted in a total of 490 units new or persevered affordable units. Through the Down Payment Assistance (DPA) program, a HOME funded program, DHCD provides flexible gap financing for first-time homebuyers at, or below, 80 percent of the Area Median Income (AMI) to purchase homes that are safe, decent and accessible. During the 2011 - 2012 program year the DPA program assisted 93 first time homebuyers, with approximately 95 percent of those homebuyers at or below 60 percent Area Median Income. Through the Indoor Plumbing Rehabilitation (IPR), a HOME funded program, DHCD assists low to moderate income Virginians whose houses lack complete indoor plumbing. The IPR Program improves substandard housing through general rehabilitation by installing indoor plumbing in units lacking complete facilities (or those where existing water supply or waste water disposal systems are failing). In the 2011-2012 program year, DHCD assisted 115 units/households. In addition to these federal resources DHCD is also able to leverage some state resources toward the preservation and production of affordable housing units. One of these, the Permanent Supportive Housing Program, was developed from of the state Homeless Outcomes Report and Recommendations (November 2010) and aims to increase the number of Permanent Supportive Housing units in Virginia. The Virginia General Assembly obligated \$1 million in Fiscal year 2013 for the Permanent Supportive Housing program. Another state resource is the Virginia Housing Trust Fund, which was created by the Virginia General Assembly in 2012 and will be used to provide flexible financing for affordable rental housing projects for low to moderate income Virginians and down payment and closing cost assistance for homebuyers. The Housing Trust Fund will also provide grant funding to eligible organizations with targeted programs to reduce homelessness throughout the state. The General Assembly obligated \$7 million in the second year of the 2012-2014 biennial budget for the Housing Trust Fund.

## Units Expected to be lost from Inventory

There is a high potential for affordable rental units throughout the state to be lost from the affordable rental unit inventory over the next five years. Many of the HOME-assisted projects DHCD has funded over the years will be reaching the end of their original HOME affordability period

within the next five years. DHCD expects to extend the affordability of these projects by offering loan forgiveness over ten to fifteen years, although the final decision rests with the owner of the project. According to the National Housing Trust, there are currently over 170 rental projects with a total of 14,077 assisted units in Virginia whose project-based Section 8 contracts will expire within the next five years (National Housing Trust, Project-Based Section 8 data, April 2012). For 2013, the Virginia Housing Development Authority (VHDA) has designated 23 Rural Development Section 515 properties with 758 total units and 585 assisted unit as priority rehabilitation projects. All of the projects identified by VHDA are at least 15 years old. The effects of the Budget Control Act will also have an impact on the affordable rental in Virginia as the sequester is fully implemented. Nationwide, the Housing Choice Voucher program is expected to lose close to 125,000 vouchers for families in need will have an impact in Virginia.

### **Does the availability of housing units meet the needs of the population?**

Virginia is currently experiencing a significant shortage of affordable and available rental units for Extremely Low and Very Low Income households. According to the National Low Income Housing Coalition, there are 32 affordable and available units per 100 households for Virginians at or below 30 percent of area median income. Statewide, this adds up to a deficit of close to 140,000 affordable and available units for households in this income category. Very Low Income (at or below 50 percent area median income) households also lack a sufficient number of affordable and available units. There are currently 57 affordable and available units per 100 households which equals a statewide deficit of more than 156,000 units (State Housing Profile: Virginia, National Low Income Housing Coalition, March 2013). Virginia also has a need for permanent supportive housing units throughout the state which will combine affordable housing units with supportive services for tenants. The need for accessible units as the population ages, especially in the Southern and Western regions of the state.

### **Need for Specific Types of Housing**

Regionally, the need for specific types of housing units which meet the population's needs varies. The Northern Virginia, Central Virginia, and Hampton Roads/Chesapeake Bay regions will experience the majority of the population growth over the next decade, especially among young adults. New construction rental units have been easily absorbed in these regions due to both the foreclosure crisis and population growth. These areas will continue to need affordable rental units and smaller starter homes to accommodate this younger population and accommodate in-migration. Across the rest of the state, population growth will be minimal or negative as people migrate from these regions, specifically the Southside and Southwest regions. These regions will need to reinvest in their existing housing stock with targeted redevelopment of older, obsolete housing structures and select new construction projects. These regions will most likely experience a need for senior housing and housing with supportive services which meet the needs of the aging population (Shifting Rental Housing Needs, Virginia Housing Development Authority, January 2010).



## MA-15 Cost of Housing

### Cost of Housing

	2000 Census (Base Year)	2005-2009 ACS (Most Recent Year)	% Change
Median Home Value	125,400	247,100	97%
Median Contract Rent	650	777	20%

**Table 30 – Cost of Housing**

**Data Source:** 2005-2009 ACS Data  
2000 Census (Base Year)  
2005-2009 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	263,888	29.1%
\$500-999	360,616	39.8%
\$1,000-1,499	180,375	19.9%
\$1,500-1,999	65,627	7.3%
\$2,000 or more	35,163	3.9%
<b>Total</b>	<b>905,669</b>	<b>100.0%</b>

**Table 31 - Rent Paid**

**Data Source:** 2005-2009 ACS Data

### Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	76,010	No Data
50% HAMFI	210,285	117,495
80% HAMFI	418,750	246,635
100% HAMFI	No Data	379,670
<b>Total</b>	<b>705,045</b>	<b>743,800</b>

**Table 32 – Housing Affordability**

**Data Source:** 2005-2009 CHAS

## Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	0	0	0	0	0
High HOME Rent	486	528	588	747	939
Low HOME Rent	467	500	585	693	773

**Table 33 – Monthly Rent**

**Data Source:** HUD FMR and HOME Rents

## Availability of Sufficient Housing

According to the National Low Income Housing Coalition, extremely low income renters in Virginia face a shortage of affordable and available rental units and are cost burdened. There are currently 32 affordable and available units per 100 households for Virginians at or below 30 percent of area median income and 87 percent of households at this income level are cost burdened, with 76 percent of these households severely cost burdened. Statewide, there is a deficit of close to 140,000 affordable and available units for households in this income category. Very Low Income (at or below 50 percent area median income) households also lack a sufficient number of affordable and available units and are cost burdened. There are currently 57 affordable and available units per 100 households for very low income households which equates to a statewide deficit of more than 156,000 units and 76 percent of these households are cost burdened. To a lesser extent, severe cost burdens affect this income group with 36 percent of households severely cost burdened. Low Income households do not face the same severe shortage of affordable and available rental units as the income categories above, however 49 percent of Low Income households are cost burdened (State Housing Profile: Virginia, National Low Income Housing Coalition, March 2013).

Virginia is likely to continue to see an increase in the need for affordable permanent supportive housing projects in Virginia, as well as affordable housing projects for seniors and an aging population. These types of projects will be important because of the ability for these types of projects to combine supportive services with affordable units.

## Expected Change of Housing Affordability

Changes in Housing Affordability in Virginia will vary from region to region. More urbanized areas such as Northern Virginia, Central Virginia, and the Hampton Roads/Chesapeake Bay regions will likely see decreases in housing affordability as these regions are the places most population growth are expected to occur.

Statewide, according to the National Low Income Housing Coalition (NLIHC), a resident would need to earn a minimum of \$20.72 per hour, working 40 hours a week, to make a 'housing wage' in order to afford a 2BR rental unit at the statewide 2BR Fair Market Rent (FMR) of \$1,078. This housing wage is the highest in the Southeastern United States and Virginia is currently the 9th least affordable state in the nation. Regionally, the differences are quite vast. In the Washington-Arlington-Alexandria HUD Metro FMR Area (HMFA), the necessary housing wage rises to \$27.15 to afford the 2BR FMR of \$1,412. In Lee County, in the rural southwest region of the state, the housing wage is \$12.04 necessary to afford the 2BR FMR of \$626 (Out of Reach 2013, State Profile: Virginia, National Low Income Housing Coalition, March 2013).

Compared to the NLIHC's Out of Reach 2012 state profile for Virginia, the statewide housing wage necessary to afford a 2BR unit at the FMR increased from \$20.26 per hour to \$20.72, however Virginia moved from the 8th least affordable to the 9th least affordable. Likewise, the Washington-Arlington-Alexandria HMFA moved out of the top 10 most expensive metropolitan area list (Out of Reach 2012, State Housing Profile: Virginia, National Low Income Housing Coalition, March 2012).

## **Rent Comparison**

Comparisons of the HOME rent limits/Fair Market Rents to Area Median Rents in Virginia illustrate the different housing markets in different regions throughout the state. The Northern Virginia region, the least affordable in the state, has median rents which are higher than and will most likely to continue to remain higher than, the HOME rent limits and/or Fair Market Rent as this region will see the bulk of population growth in Virginia. In Southwest and Southern Virginia, the median/market rents are often lower than the HOME rent limits/Fair Market Rents and existing HOME rental projects must keep their rental rates below these levels to remain competitive with the rest of the rental market.

The differences among regions in Virginia will require that DHCD tailor its strategies for production or preservation of affordable housing to each particular region's need. In the Northern Virginia region, preservation of affordable housing will be particularly important due to the high cost of housing that already exists. In the remaining regions of the state, DHCD will support both preservation and production of new affordable housing units, but particularly targeted towards special populations such as seniors or Virginians needing housing paired with supportive services.



## MA-20 Condition of Housing

### Definitions

Substandard: One or more conditions which render the dwelling unsafe or unsanitary as prescribed by the Minimum Housing Code Standards or HQS.

Suitable for Rehabilitation: The nature of the substandard conditions is both financially and structurally feasible for rehabilitation.

The definition of substandard but suitable for rehabilitation may also include a quantifiable standard such as - “substandard” dwelling in which the deficiencies are limited in number and magnitude such that the cost of rehabilitation would not exceed fifty percent (50%) of the replacement cost of the dwelling. Examples of minor repairs may include – disability access, lead-based paint remediation, foundation repair, wall repair, windows, doors, electrical repair, roof repair.

A property may be considered in “substandard condition but suitable for rehabilitation” if it is dilapidated or deteriorated beyond feasible economic repair, or rehabilitation will exceed fifty percent (50%) of the replacement cost of the dwelling.

### Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	548,052	27%	376,579	42%
With two selected Conditions	9,978	0%	19,322	2%
With three selected Conditions	1,049	0%	1,115	0%
With four selected Conditions	4	0%	11	0%
No selected Conditions	1,471,882	72%	508,642	56%
<b>Total</b>	<b>2,030,965</b>	<b>99%</b>	<b>905,669</b>	<b>100%</b>

Table 34 - Condition of Units

Data Source: 2005-2009 ACS Data



## Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	260,073	13%	92,512	10%
1980-1999	751,441	37%	281,235	31%
1950-1979	772,139	38%	401,760	44%
Before 1950	247,312	12%	130,162	14%
<b>Total</b>	<b>2,030,965</b>	<b>100%</b>	<b>905,669</b>	<b>99%</b>

**Table 35 – Year Unit Built**

Data Source: 2005-2009 CHAS

## Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	1,019,451	50%	531,922	59%
Housing Units build before 1980 with children present	219,435	11%	117,810	13%

**Table 36 – Risk of Lead-Based Paint**

Data Source: 2005-2009 ACS (Total Units) 2005-2009 CHAS (Units with Children present)

## Need for Owner and Rental Rehabilitation

DHCD utilizes program like Indoor Plumbing Rehabilitation (IPR) to target housing units which simply put, are some of the worst in Virginia, those which lack complete indoor facilities and in many cases, homes which still utilize a privy. Many of the affected homes are located in places that are difficult to serve because of their isolation, remoteness from viable drinking water sources, or other site-related factors. According to the 2011 American Community Survey 14,717 occupied housing units still lacked complete indoor plumbing facilities and programs like IPR are one of the few resources available to address this critical need.

Housing rehabilitation helps make better use of the extensive inventory of existing older housing units in rural and urban Virginia. Improvements and rehabilitation can also preserve and nurture local communities. Through programs like IPR, the Community Development Block Grant (CDBG) program, and the Weatherization Assistance Program, DHCD is able to focus resources on rehabilitation needs. However, the need for assistance always outweighs demand and with continued reductions to funding for these programs, the number of customers who

can be helped each year is shrinking.

### **Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards**

Over half of the rental units were built prior to 1980. Low and moderate income persons often inhabit homes that have not been renovated or updated which leads to an increased risk of having lead based paint in the home. DHCD helps partnering communities identify these needs in the community and work toward remediating the homes so that low and moderate income persons have the same quality housing as homes built after 1980.

## MA-30 Homeless Facilities

### Introduction

#### Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	1,944	1,484	2,351	910	0
Unaccompanied Youth	2,074	1,484	1,084	1,987	0
Households with Only Adults	0	0	0	0	0
Chronically Homeless Households	0	0	0	0	0
Veterans	4	0	1	5	0

**Table 39 - Facilities Targeted to Homeless Persons**

**Data Source Comments:** Data was not available for some categories. Source data for the number of seasonal/voucher/overflow beds is not separated out by family type, therefore listed in both family households and Adult Only households. Total number of these type of beds is 1484.

**Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons**

There are a number of statewide initiatives to better leverage mainstream resources. These initiatives as identified as a part of the Governor's Homeless Coordinating Committee include:

- The Virginia Coalition to End Homeless (VCEH) is partnering with the VA Medical Centers to identify how to streamline access to HUD VASH vouchers for veterans experiencing homelessness
- Department of Behavioral Health and Developmental Service (DBHDS) and VCEH hosted a Housing Stability and Mental Health Summit.
- DBHDS hired a housing specialist to provide ongoing training and technical assistance to Community Service Boards (CSBs) and housing organizations in developing supportive housing
- DBHDS released online training program to assist CSB case managers with helping clients in obtaining and maintaining housing stability
- The state is attempting to establish a network of substance abuse peer recover "best practice models of service enhanced shelters.
- Improving discharge policies of those exiting health and mental health facilities
- Expanding the capacity of public and nonprofit homeless service providers to connect clients to SSI/SSDI benefits through SOAR by hiring PATH funded State SOAR coordinator.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

DHCD administers funds that support homeless services and facilities across Virginia. These programs include two federal programs:

- Emergency Solution Grant (ESG)
- Housing Opportunities for Persons With AIDS (HOPWA)

During the 2012 – 2013 program year the ESG funding supports 28 separate rapid re-housing programs, 19 prevention programs, and 30 shelter programs in ESG non-entitlement communities. Additional services and facilities are funded by the ESG entitlement localities in their specific jurisdictions.

In addition to ESG, DHCD also funds nine HOPWA programs that provide rental assistance and support services to help individuals with HIV/AIDS and their families obtain and/or maintain housing stability. Again, these nine programs are located in HOPWA non-entitlement areas. The entitlement areas, which receive HOPWA funding directly from HUD also fund some HOPWA services and facilities in Virginia's HOPWA entitlement jurisdictions.

In addition to federal resources DHCD also administers state funds to support homeless services and facilities. These resources include:

- Homeless Solutions Grant (HSG)

- Homeless Prevention Program (HPP)
- Child Service Coordinator Grant (CSCG)
- Child Care for Homeless Children Program (CCHCP)

Together these support 65 rapid re-housing programs, 60 shelter facilities, 26 prevention programs and child services and child care for homeless children in Virginia.

HUD's Competitive CoC SHP programs funds services and programs in Virginia as well. Some of these services and facilities overlap with those addressed above. The CoC SHP program supports shelter facilities, support services, and permanent supportive housing. Specifically, this program supports three permanent supportive housing programs located in rural areas of the state.

## MA-35 Special Needs Facilities and Services

**HOPWA Assistance Baseline Table**

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	75
PH in facilities	0
STRMU	196
ST or TH facilities	0
PH placement	0

**Table 40 – HOPWA Assistance Baseline**

**Data Source:** HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

**To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

The State's Homeless Outcomes Advisory Committee has established the Homeless Coordinating Council and four committees focused on improved coordination on a state level to, in part, help assure that those persons returning from mental and physical health institutions receive appropriate supportive housing. In addition, DHCD is working closely with the Department of Behavioral and Developmental Health Services (DBDHS) to develop strategies for transitioning individuals from institutional settings in to community-based housing.

**Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

The State's Homeless Coordinating Council has a work group focused on discharge planning and policy for mental health that includes discharge planning beginning on admission. They are evaluating and updating current policies and providing training and outreach to hospitals, community service boards and other mental health providers and discharge planners, including the state 2-1-1 system. Department of Veteran Services has developed educational programs to inform discharge planners about services related to veterans. The Homeless Outcomes Coordinator has presented before the Behavioral Health Forum and CSB's to inform discharge planners of the goals and objectives of the Homeless Outcomes Initiative and to get feedback on challenges of discharging patients. Department of Behavioral Health and Disability Services is also documenting the number of patients discharged into shelters.

**Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

DHCD has goals and initiatives in place to address housing and supportive services needs with respect to persons who are not homeless but have special needs. First the Commonwealth seeks to help communities to become competitive and sustainable places to live and work for all Virginians including those with special needs. Second, Virginia will help to increase the number of affordable and accessible housing units in Virginia. Both of these efforts will encourage the use of universal design features in housing and community structures. DHCD will also prioritize projects that help improve overall accessibility to community and home-based services.

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

Not applicable.

## **MA-40 Barriers to Affordable Housing**

### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

DHCD through an Analysis of the Impediments to Fair Housing identified the following:

- Discrimination in the rental and sales housing markets. Particularly, discrimination in the rental housing market based on disability, race, national origin, and familial status.
- Constraints in the mortgage lending market. Minorities experience higher denial rates in the mortgage markets at all income levels, particularly at the lowest income levels in the conventional loan market. Subprime mortgages are also an issue of note for minority borrowers.
- Limit understanding of fair housing issues among real estate agents, landlords, housing providers, local officials, and especially, individuals.
- Disproportionate effects of certain local ordinances on members of various protected classes.
- Availability and access to quality affordable housing; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market.





## MA-45 Non-Housing Community Development Assets

### Introduction

The Commonwealth of Virginia's unique combination of assets has encouraged businesses to prosper here for more than 400 years. Virginia continues to rank among America's leading states for business and in each analysis, the cost of doing business and quality of workforce helped drive Virginia to the top. With a population of 8.1 million and a workforce of 4.2 million, Virginia successfully supports the state's substantial industry base. In terms of access, Virginia offers unparalleled transportation opportunities; centrally located on the U.S. East Coast, the Commonwealth's integrated transportation system of highways, railroads, airports and seaports ensures that all markets are within reach. Virginia's boundless outdoor and cultural activities along with one of the nation's highest concentrations of historic resources provide limitless opportunities for recreation and economic development.

### Economic Development Market Analysis: Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	34,917	7,623	2	1	-1
Arts, Entertainment, Accommodations	99,093	73,584	7	12	5
Construction	133,466	43,698	10	7	-3
Education and Health Care Services	292,323	131,942	21	21	0
Finance, Insurance, and Real Estate	79,206	35,842	6	6	0
Information	25,503	12,384	2	2	0
Manufacturing	167,623	54,351	12	9	-3
Other Services	68,070	40,919	5	6	1
Professional, Scientific, Management Services	127,826	32,142	9	5	-4
Public Administration	97,483	46,279	7	7	0
Retail Trade	168,771	97,212	12	15	3
Transportation and Warehousing	66,991	14,476	5	2	-3
Wholesale Trade	37,603	45,404	3	7	4
Total	1,398,875	635,856	--	--	--

**Table 41 - Business Activity**

**Data Source:** 2005-2009 ACS (Workers), 2010 ESRI Business Analyst Package (Jobs)

## Labor Force

Total Population in the Civilian Labor Force	1,434,727
Civilian Employed Population 16 years and over	1,356,672
Unemployment Rate	5.44
Unemployment Rate for Ages 16-24	17.88
Unemployment Rate for Ages 25-65	2.98

**Table 42 - Labor Force**

Data Source: 2005-2009 ACS Data

## Occupations by Sector

Management, business and financial	443,374
Farming, fisheries and forestry occupations	12,889
Service	212,822
Sales and office	330,284
Construction, extraction, maintenance and repair	160,915
Production, transportation and material moving	196,388

**Table 43 – Occupations by Sector**

Data Source: 2005-2009 ACS Data

## Travel Time

Travel Time	Number	Percentage
< 30 Minutes	800,335	62%
30-59 Minutes	345,222	27%
60 or More Minutes	139,911	11%
<b>Total</b>	<b>1,285,468</b>	<b>100%</b>

**Table 44 - Travel Time**

Alternate Data Source Name:  
Educational Attainment - 2007-2011 ACS

## Education:

### Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	113,505	10,281	107,993
High school graduate (includes equivalency)	369,450	18,459	141,167
Some college or Associate's degree	341,636	12,014	89,933
Bachelor's degree or higher	298,788	6,393	60,587

**Table 45 - Educational Attainment by Employment Status**

Data Source: 2005-2009 ACS Data

### Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	4,200	8,349	12,067	48,201	80,253
9th to 12th grade, no diploma	36,263	34,098	40,530	88,608	65,200
High school graduate, GED, or alternative	103,031	112,433	146,760	271,544	134,828
Some college, no degree	84,772	71,172	88,629	164,549	62,590
Associate's degree	11,231	25,878	37,894	60,499	12,649
Bachelor's degree	18,919	55,543	66,931	117,003	38,118
Graduate or professional degree	1,596	19,868	33,090	80,429	29,749

**Table 46 - Educational Attainment by Age**

Data Source: 2005-2009 ACS Data

### Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	21,400
High school graduate (includes equivalency)	29,641
Some college or Associate's degree	36,593
Bachelor's degree	54,718
Graduate or professional degree	78,038

**Table 47 – Median Earnings in the Past 12 Months**

Alternate Data Source Name:  
Educational Attainment - 2007-2011 ACS

**Based on the Business Activity table above, what are the major employment sectors within the state?**

Virginia has a strong base in Education and Health Care, Retail, and Manufacturing sectors. Industries in Virginia continue to experience robust job growth and capital investment, and the Commonwealth's unique combination of resources provides a strong foundation for success. For example:

- **Aerospace:** Virginia is home to 159 Aerospace companies. The top two sectors for the industry are Aerospace Technology and Aerospace Equipment.
- **Automotive:** Virginia is home to 173 automotive companies. The Automotive industry accounts for 3% of Virginia's total of 6,200 manufacturing establishments.
- **Plastics & Advanced Materials:** Virginia is home to more than 200 plastics companies, employing more than 24,800 Virginians.
- **Corporate Headquarters:** Virginia is home to more than 70 headquarters that earn at least \$600 million in revenue each year.
- **Energy:** Virginia is home to 384 Energy companies. The top sectors for the Energy Industry are Traditional Power Generation and Fossil Fuel Sources.
- **Food Processing:** In 2008, Virginia's Food Processing industry employed more than 34,700 people. The Food Processing industry accounted for 12.7% of Virginia's total manufacturing employment.
- **Life Sciences:** In 2008, the life sciences industry accounted for over 700 firms in Virginia and for more than 16,200 jobs.
- **Technology:** With more than 285,000 high-technology jobs in Virginia in 2008, Virginia has the highest percentage of technology workers in the country and is ranked 5th in total high-technology employment as reported in Cyberstates 2009.
- **Modeling & Simulation:** Virginia has 190 companies applying Mod-Sim technology to diverse industries such as defense, health care, aerospace, transportation, and entertainment.
- **Wood Products:** Wood Products represents Virginia's largest number of manufacturing establishments. The top three sectors for Wood Products are Household and Institutional Furniture and Kitchen Cabinet Manufacturing, Other Wood Product Manufacturing, and Sawmills and Wood Preservation.
- **Nonprofit Sector:** With nearly 350,000 workers, including 211,000 paid workers and an additional 139,000 full-time equivalent volunteer workers, Virginia's nonprofit sector is the second largest employer among Virginia industries.

**Describe the workforce and infrastructure needs of business in the state**

As a result of advanced training and education, combined with a vast diversity of skill sets, Virginia's workforce is one of its greatest assets. Virginia ranks in the top 10 in labor productivity and at nearly 4.3 million, the Commonwealth's prime working population, ages 16-64, ranks seventh in the nation. Virginia experienced a net in-migration of more than 243,000 people from 2000 to 2005. In terms of education, more than 502,000 students are enrolled in over 93 in-state institutions of higher education and nearly 25,000 doctoral scientists and engineers reside in Virginia, one of the highest concentrations in the nation. Virginia's fastest-growing occupations are Management, Professional and Related Occupations, and Service Occupations. The three occupation groups with the largest number of openings are Office and Administrative Support, Sales, and Food Preparation. A comparison of the likely

workforce-driven demand for graduates from specific postsecondary education and training programs with the likely supply of graduates shows that the largest occupational gaps tend to be in accounting, computer, education, and healthcare related occupations.

**Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create**

While there are still a significant number of employees in the manufacturing sector in Virginia, overall, the decline in traditional economic sectors as well as increased international competition has left many regions of the state behind economically. Diminished resources and the lack of a community strategy have limited the Commonwealth's ability to respond. Southside Virginia, one of several distressed areas of the state, lost more than 9,000 manufacturing jobs in the last decade and struggles to develop its capacity to address rapid economic change. Many other urban and rural communities in Virginia face severe economic distress as they have fallen behind the rapid pace of economic change prevailing in much of the state, exacerbated by the weak economic recovery. Distressed areas often have both the greatest need and the least ability to address their condition. To succeed, distressed communities must be positioned to access opportunities in current markets by developing local and regional economic development strategies that focus and guide both local and state investment.

**How do the skills and education of the current workforce correspond to employment opportunities in the state?**

Statistically, Virginians outperform the nation in educational attainment at all levels. For example:

- 34 percent of Virginians age 25 and over have bachelor's degrees or higher compared to 27 percent nationwide.
- Over 1.2 million students are enrolled elementary and secondary schools and over 80% of these graduates continue to a two or four-year degree program or other continuing education plan.
- U.S. News & World Report's 2012 "America's Best High Schools" names 18 Virginia high schools as gold medal schools, 19 silver medal schools and 59 bronze medal schools. In addition, Thomas Jefferson High School for Science and Technology is ranked as the second "Best High School" in the nation.
- Education Week's "Quality Counts" 2013 report ranks Virginia fourth best in its overall education system.
- Virginia's students rank third nationally for achievement in Advanced Placement (AP) tests according the College Board's "2012 AP Report to the Nation."
- Virginia has the fifth-most schools offering the International Baccalaureate Program in the U.S.
- Results of national science tests from the 2009 National Assessment of Education Progress show that Virginia public school students are among the highest achieving students in science in the nation.

Most direct workforce training assistance in Virginia is provided through the Virginia Department of Business Assistance's Virginia Jobs Investment Program, providing customized recruiting and training services to companies that are creating new jobs or experiencing technological change. The program

offsets a company's recruitment and training costs, and connects them with all available resources to help with workforce development efforts.

**Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan**

See next response.

**Describe any other state efforts to support economic growth**

A key component of economic restructuring is the revitalization of Virginia's rural towns. DHCD strategically invests financial and technical resources to foster an environment that attracts private sector development and investment in communities and downtown business districts. DHCD seeks to approach these revitalization efforts on a regional, not individual basis, to maximize outcomes. By working on a regional basis and advocating for communities to work together and not in competition, there is greater opportunity to package experiences more broadly, offering a wider array of opportunities for members of the communities and those travelling through the area. Nurturing the entrepreneurial spirit is also essential for a healthy economy. Coupled with DHCD's other economic strategies, is an emphasis on expanding opportunities for non-traditional entrepreneurs and entrepreneurs that are attracted to market opportunities. Investment of resources such as Main Street, CDBG and BEE (Building Entrepreneurial Economies) are coordinated, providing for significant leveraging and strategic utilization, and ultimately, resulting in greater impact. Assistance is used to address the myriad of factors influencing economic investment from critical market intelligence, capitalizing loan pools, delivery of technical assistance, and other mechanisms which cultivate new community-based business and financing opportunities. DHCD also administers the state Enterprise Zone program, designed to spur private investment and job creation in targeted areas. In addition, the state has also invested funds in a program to encourage the redevelopment of "white elephant" buildings in distressed communities. Additionally, the state Virginia Economic Development Partnership is responsible for coordinating new business investment, expansion of existing business, and fostering international trade.

## **MA-50 Needs and Market Analysis Discussion**

### **Are there any populations or households in areas or neighborhoods that are more affected by multiple housing problems?**

This Consolidated Plan is for a State grantee. The Commonwealth is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated populations, including African American, Hispanic, Asian, and others. In addition the state has multiple and varying housing and non-housing challenges. These challenges vary substantially from region to region. Projects, proposals, and activities funded through the Commonwealth's method of distribution are selected to meet local market needs and the Commonwealth's Consolidated Plan goals and strategies.

### **Are there areas in the Jurisdiction where these populations are concentrated?**

Each region of Virginia has some concentration of populations in need, however these populations and their needs vary based on the region. The State's methods of distribution are design to be flexible enough to address the needs specific to each local market.

### **What are the characteristics of the market in these areas/neighborhoods?**

See above.

### **Are there any community assets in these areas/neighborhoods?**

As previously discussed, DHCD has emphasized the importance of recognizing and capitalizing upon a community's assets. This asset-based development strategy is a key component of a diverse and strong economic development strategy. The Agency couples financial resources available through programs such as CDBG, with other state and federal funds, along with significant technical assistance, to help communities identify and commoditize their unique assets. Examples include the music heritage in southwest Virginia, branded as The Crooked Road, as well as the wonderful arts and crafts heritage in the same region, promoted through Round the Mountain. These assets represent an opportunity to distinguish that particular region from any other and provide economic development potential through avenues such as tourism and entrepreneurship. These examples are just a small sample of the efforts underway in many of Virginia's localities to capitalize upon those community assets.

### **Are there other strategic opportunities in any of these areas?**

See above.



# Strategic Plan

## SP-05 Overview

### Strategic Plan Overview

This Consolidated Plan identifies four high priority needs in Virginia. These needs are:

- Lack of affordable housing
- Lack of housing for special needs populations
- Individuals and families experiencing homelessness
- Barriers to competitive and sustainable communities

Overall DHCD's goals are to target these federal resources (CDBG, ESG, HOME, and HOPWA) and to leverage other state resources to address these needs by:

- Increasing the number of affordable housing units
- Increasing the number of affordable units for special needs populations
- Decreasing the number individuals and families experiencing homelessness
- Creating competitive and sustainable communities

DHCD works with many partners to accomplish these goals. These partners include units of local government, other state agencies, housing developers, CHDOS, nonprofits, and regional planning groups.

While work on these goals is ongoing the Commonwealth will incorporate other specific strategies to help meet these goals. These include a plan to address the barriers to fair housing, a plan to end homelessness, measure to address lead based paint hazards, and anti-poverty measures.

## SP-25 Priority Needs

### Priority Needs

Priority Need Name	Priority Level	Population	Goals Addressing
Lack of affordable housing units	High	Extremely Low Low Moderate Large Families Families with Children Elderly Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities	Increase the number of affordable housing units Increase number of special needs housing units
Lack of housing units for special needs population	High	Extremely Low Low Moderate Large Families Families with Children Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities	Increase number of special needs housing units
Individuals and families experiencing homelessness	High	Extremely Low Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans	Decrease numbers experiencing homelessness

Barriers to competitive/sustainable communities	High	Non-housing Community Development	Create competitive and sustainable communities
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**Table 49 – Priority Needs Summary**

## SP-30 Influence of Market Conditions

### Influence of Market Conditions

<b>Affordable Housing Type</b>	<b>Market Characteristics that will influence the use of funds available for housing type</b>
Tenant Based Rental Assistance (TBRA)	The Commonwealth will not use HOME funds for TBRA.
TBRA for Non-Homeless Special Needs	The Commonwealth will use HOPWA funds for TBRA. These funds will be used for income eligible HOPWA client where no other available resource is readily available.
New Unit Production	In markets with relatively low vacancy rates, limited available affordable units, and/or accessibility needs
Rehabilitation	In markets with relatively low vacancy rates, limited available affordable units, accessibility needs, and/or to preserve existing affordable units
Acquisition, including preservation	In markets with relatively low vacancy rates, limited available affordable units, accessibility needs, and/or to preserve existing affordable units

**Table 50 – Influence of Market Conditions**

## SP-35 Anticipated Resources

### Introduction

In the 2013-2014, the Department of Housing and Community Development (DHCD) will leverage more than \$50 million in federal and state funding toward addressing affordable housing and community development needs in the Commonwealth. Over the course of the five-year Consolidated Plan Virginia will make available approximately \$130 million in HUD funds through the CDBG, HOME, HOPWA, ESG programs to:

- Increase the number of affordable housing units
- Increase the number of affordable units for special needs populations
- Decrease numbers experiencing homelessness
- Create competitive and sustainable communities

### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	15,670,951	0	2,000,000	17,670,951	62,683,804
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction	6,895,250	500,000	2,331,714	9,726,964	27,581,000

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	
		Multifamily rental rehab New construction for ownership TBRA					
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	691,229	0	0	691,229	2,764,916
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	2,862,072	0	0	2,862,072	11,448,288

**Table 51 - Anticipated Resources**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

The federal resources will be leveraged along with other state resources to provide affordable housing, community development, and to address issues impacting causing homelessness. These resources include state allocations to increase the number of permanent supportive housing and affordable housing units, to provide rapid re-housing and homeless assistance, to prevent homelessness, and state funds for the rehabilitation of homeowner units that lack indoor plumbing.

For the HOME program, the state will meet the required 25 percent match through:

- The present value of interest reductions of below-market-rate loans, where a project also receives HOME assistance.
- State general revenue funds that are contributed to housing projects assisted with HOME funds and meet the HOME affordability requirements.
- The face value of State mortgage revenue bond loans (multi-family and single family loans).

CDBG projects do not have a specific match requirement, but applicants can enhance their competitiveness by incorporating local resources.

ESG requires a dollar for dollar match. DHCD will use state general funds appropriation for homeless prevention and homeless services as the match for the ESG program.

The HOPWA program does not have a match requirement.

**If appropriate, describe publically owned land or property located within the state that may be used to address the needs identified in the plan**

Not applicable.

## **SP-40 Institutional Delivery Structure**

### **Assess of Strengths and Gaps in the Institutional Delivery System**

DHCD works with many different organizations, both public and private, to carry out its Consolidated Plan. The community economic development activities are carried out through contractual agreements with units of local government. Please note that while individual localities are not listed separately in the chart above, a total of nearly 300 localities are considered a part of the institutional delivery system. The housing activities, both production and preservation activities, are accomplished through partnerships with units of local government, non-profits, housing developers, and specifically through partnerships with state certified Community Housing Development Organizations (CHDOs). Homelessness, HIV/AIDS, and other special needs services result from DHCD's relationship with Continuums of Care and a network of non-profit service providers including shelters and units of local government across the state of Virginia.

Appropriate service coverage and the logistics of getting the funding and activities to the areas of need within Virginia are on-going challenges. The solution in many cases is long-term and evolving. DHCD works with community based organizations to develop local assets for meeting local needs. DHCD puts special emphasis on CHDO development and encourages partnerships and collaborations in the work that is done.

Public housing authorities (PHAs) are components in the statewide system for the delivery of affordable housing. Local housing authorities are established through the auspices of local government, subject to state enabling legislation. Neither the state nor DHCD specifically has direct oversight for local PHAs, however we may partner with these entities through a grantee or project sponsor relationship to complete local projects or activities. DHCD does certify local plans and projects' consistency with the state program's Consolidated Plan.



**Availability of services targeted to homeless persons and persons with HIV and mainstream services**

<b>Homelessness Prevention Services</b>	<b>Available in the Community</b>	<b>Targeted to Homeless</b>	<b>Targeted to People with HIV</b>
<b>Homelessness Prevention Services</b>			
Counseling/Advocacy	X	X	
Legal Assistance	X		
Mortgage Assistance	X	X	
Rental Assistance	X	X	
Utilities Assistance	X	X	
<b>Street Outreach Services</b>			
Law Enforcement			
Mobile Clinics			
Other Street Outreach Services			
<b>Supportive Services</b>			
Alcohol & Drug Abuse	X	X	
Child Care	X	X	
Education	X		
Employment and Employment Training	X		
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	
Mental Health Counseling	X	X	
Transportation	X		
<b>Other</b>			

**Table 53 - Homeless Prevention Services Summary**

**Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction**

DHCD will distribute state and federal resources for homeless assistance and prevention services through a CoC-based application. This method of distribution will require local planning and coordination among service providers. It is also required that mainstream resources are maximized to meet the needs of those experiencing homelessness including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. HOPWA funding will also be distributed through a CoC-based methodology. In addition HOPWA funds for support

services are structured as a “last resort” resource. This program requirement requires full utilization of mainstream resources, where available, to meet overall client needs.

**Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above**

While there are a number of services available at the community level for special needs populations and some services that are specifically targeted to individuals and families experiencing homelessness or HIV/AIDS, these services are not available at levels sufficient to meet local needs. This is particularly the case for employment, affordable healthcare, and mental health and substance abuse services. In addition a large proportion of Virginia’s localities are considered rural. In these rural areas of Virginia lack transportation is a barrier to accessing available services. In some areas of Virginia access to services will require transportation to another county.

**Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs**

Through development activities and partnerships with localities and developer partners DHCD will continue to encourage and prioritize affordable and accessible housing production within close proximity to existing community-based services. DHCD will also continue to work with local governments to identify community-based services, infrastructure, an economic development needs and provide assistance and resources to help address these needs.

## SP-45 Goals Summary

### Goals Summary Information

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
Increase the number of affordable housing units	2013	2017	Affordable Housing		Lack of affordable housing units	HOPWA: \$3,456,145 HOME: \$15,000,000	Rental units constructed: 75 Household Housing Unit  Rental units rehabilitated: 75 Household Housing Unit  Homeowner Housing Added: 20 Household Housing Unit  Direct Financial Assistance to Homebuyers: 375 Households Assisted  Tenant-based rental assistance / Rapid Rehousing: 750 Households Assisted
Increase number of special needs housing units	2013	2017	Affordable Housing Non-Homeless Special Needs		Lack of affordable housing units Lack of housing units for special needs population	HOME: \$15,000,000	Rental units constructed: 75 Household Housing Unit  Rental units rehabilitated: 75 Household Housing Unit  Homeowner Housing

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
							Rehabilitated: 250 Household Housing Unit
Decrease numbers experiencing homelessness	2013	2017	Homeless		Individuals and families experiencing homelessness	HOME: \$7,307,964 ESG: \$14,310,360	Tenant-based rental assistance / Rapid Rehousing: 500 Households Assisted  Homeless Person Overnight Shelter: 2500 Persons Assisted  Homelessness Prevention: 250 Persons Assisted  Housing for Homeless added: 10 Household Housing Unit
Create competitive and sustainable communities	2013	2017	Non-Housing Community Development		Barriers to competitive/sustainable communities	CDBG: \$80,354,755	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 490860 Persons Assisted  Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 25 Households Assisted

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
							<p>Public service activities other than Low/Moderate Income Housing Benefit: 6835 Persons Assisted</p> <p>Facade treatment/business building rehabilitation: 523 Business</p> <p>Rental units constructed: 215 Household Housing Unit</p> <p>Rental units rehabilitated: 255 Household Housing Unit</p> <p>Homeowner Housing Rehabilitated: 1675 Household Housing Unit</p> <p>Direct Financial Assistance to Homebuyers: 195 Households Assisted</p> <p>Jobs created/retained: 700 Jobs</p> <p>Businesses assisted:</p>

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
							68 Businesses Assisted  Buildings Demolished: 60 Buildings

Table 54 – Goals Summary

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

Activities in both the HOME and CDBG program will provide extremely low-income, low-income, and moderate-income families affordable housing as defined by HOME 91.315 (b) (2), paying no more than 30 percent of their income on housing. It is estimated that nearly 1,000 households will benefit.

## **SP-50 Public Housing Accessibility and Involvement**

### **Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

Not applicable.

### **Activities to Increase Resident Involvements**

While DHCD requires that CHDO projects involve tenants in management decision, it is not a state housing authority and does not have authority over any local public housing authorities.

### **Is the public housing agency designated as troubled under 24 CFR part 902?**

No

### **Plan to remove the ‘troubled’ designation**

Not applicable.

## **SP-55 Barriers to affordable housing**

### **Barriers to Affordable Housing**

DHCD through an Analysis of the Impediments to Fair Housing identified the following:

- Discrimination in the rental and sales housing markets. Particularly, discrimination in the rental housing market based on disability, race, national origin, and familial status.
- Constraints in the mortgage lending market. Minorities experience higher denial rates in the mortgage markets at all income levels, particularly at the lowest income levels in the conventional loan market. Subprime mortgages are also an issue of note for minority borrowers.
- Limit understanding of fair housing issues among real estate agents, landlords, housing providers, local officials, and especially, individuals.
- Disproportionate effects of certain local ordinances on members of various protected classes.
- Availability and access to quality affordable housing; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market.

### **Strategy to Remove or Ameliorate the Barriers to Affordable Housing**

**Discrimination in the rental and sales housing markets - Particularly, discrimination in the rental housing market based on disability, race, national origin, and familial status:**

- Increase testing and enforcement efforts in the rental and sales housing markets to ensure that members of protected classes are being offered an equal opportunity to access all housing options in their communities; well publicized results of testing programs.
- Increase the use of electronic fair housing testing measures (i.e. email testing).
- Increase education efforts for landlords, leasing agents, and real estate professionals about their fair housing responsibilities; in particular, stress the importance of making reasonable accommodations for persons with disabilities and knowing proper occupancy standards for families with children.
- Increase education efforts for individuals seeking housing so they are aware when they are victims of discrimination and so that they are aware of their options to resolve the situation.
- Increase enforcement of affirmative marketing of affordable housing options to members of the protected classes.



**Constraints in the mortgage lending market - Minorities experience higher denial rates in the mortgage markets at all income levels, particularly at the lowest income levels in the conventional loan market. Subprime mortgages are also an issue of note for minority borrowers:**

- Increased oversight of mortgage lending and denial practices.
- First-time homebuyer education, affirmatively marketed to minorities.
- Continued support of financial literacy and credit counseling initiatives.
- Increased assistance and counseling efforts for individuals in foreclosure; particularly those with subprime mortgages.
- Increased awareness regarding the availability of Federal Housing Administration (FHA) loans.

**Limited understanding of fair housing issues among real estate agents, landlords, housing providers, local officials, and especially, individuals:**

- Encourage housing providers and other relevant stakeholders to utilize social networking to inform both clients and landlords of fair housing policy.
- Inclusion of “Prohibited Discriminatory Practices” on the Section 8 Landlord Certification
- Disproportionate effects of certain local ordinances on members of various protected classes:
- A review of local ordinances that might affect fair housing choice.
- Enhanced education efforts for local officials (elected, appointed, and staff) in regards to fair housing law.
- Promote the creation of local land use ordinances that allow for varied housing types and for the inclusion of accessible housing.

**Availability and access to quality affordable housing; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market:**

- Continued support of federal, state, and local efforts to preserve and produce quality affordable housing,
- Support of public-private partnerships that create affordable and mixed-income housing.
- Promote the use of housing databases such as those offered by the Virginia Housing Development Authority (VHDA), <http://www.virginiahousingsearch.com/>.

## **SP-60 Homelessness Strategy**

### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The state requires that all Virginia CoCs and individual service providers utilize a coordinated assessment system. The coordinated assessment system must assure that all homeless persons are assessed by a common tool and receive appropriate services based on the standards of care. The coordinated assessment must assure access to services for individuals experiencing homelessness especially unsheltered person through a “no wrong door” and “no side door” approach.

### **Addressing the emergency and transitional housing needs of homeless persons**

The Commonwealth of Virginia leverages both state and federal resources to address the needs of homelessness individuals and families. These resources include those for prevention, rapid re-housing, and shelter operations. The state’s goals are to reduce the number of individuals experiencing homelessness, to shorten the length of homelessness, and to reduce the numbers of people returning to homelessness. The Commonwealth has transitioned to a CoC-based application process for the allocation of both state and federal homeless assistance and prevention funding. CoC application reviews and funding levels are based, in part, on local alignment with these state goals.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.**

State goals and a transition to CoC-based funding have better aligned state resources to focus on permanent housing. State goals include specific objectives to reduce homelessness by 15 percent by 2014 and a goal to increase the number of permanent supportive housing units.

**Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

The Commonwealth of Virginia leverages state resources to divert low-income individuals and families from homelessness. The state's program requires that homeless prevention providers participate in coordinated assessment systems and that prevention resources are targeted to those seeking homeless assistance in order to better target those most likely to become homeless.

## **SP-65 Lead based paint Hazards**

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

Although lead paint was banned from residential use in 1978, lead remains a danger in homes constructed before 1978 (especially in homes built before 1950). Paint deterioration and home renovations in these structures result in a significantly elevated risk for exposure to lead and subsequently lead poisoning.

Based on the 2009 American Community Survey (U.S. Census) data 51 percent (or 1,546,079 units) of Virginia occupied housing units are units constructed prior to 1978 and are at risk for lead-based paint hazards.

The greatest concentration of the highest risk housing units (those built before 1950) tend to be located within Virginia's rural counties. The actions to be taken based on the type and amount of assistance in the unit include one or more of the following:

- Provision of pamphlet
- Paint testing of surfaces to be disturbed (or presume LBP)
- Safe work practices
- Repair disturbed paint
- Risk assessment
- Notice to occupants
- Interim controls
- Ongoing LBP maintenance
- Abatement if LBP hazards
- Visual assessment
- Paint stabilization

### **How are the actions listed above integrated into housing policies and procedures?**

Based on the applicable program and activity type the lead safe requirements are covered in the program design or guidelines and initial assessed during application or proposal review process. Compliance is enforced through executed agreements including lead safe requirements, reporting and project monitoring.

## **SP-70 Anti-Poverty Strategy**

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

DHCD's goals, programs, and policies benefit families in Virginia by providing homeless assistance and prevention services that seek to either keep families in their homes or help them find permanent housing. These programs address barriers to housing and focus on leveraging mainstream resources whereby families may access resources reducing their level of poverty. Housing development activities seek to provide affordable housing to moderate to very-low-income housing households. These activities also include homeownership assistance and Individuals Development Accounts (IDA) that help families build financial assets and improve their overall personal wealth. Other programs managed through the DHCD work to improve overall economic conditions. In these cases DHCD provides help developing needed infrastructure and technical assistance that helps communities to be competitive and sustainable.

### **How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan**

DHCD will promote and coordinate housing services with activities that help reduce the number of poverty-level families in Virginia. Virginia continues to pursue several economic development initiatives that, like economic development and self-help portions of the CDBG program, are also intended to strengthen local economies, increase employment opportunities, and enhance business opportunities, particularly within lower income communities or portions of communities.

The Virginia Enterprise Zone Program offers state incentives for businesses hiring and investing in distressed communities and areas of the state that have lagged behind the overall growth of the State's economy. The recently reauthorized program, which will use grants rather than tax credits as an incentive for investment in economically distressed communities, targets localities whose relative levels of employment, income, and other indicators are to be considered in determining the designation of future zones.

The Virginia Enterprise Initiative, which leverages private sector support for community-based micro enterprise (self-employment) programs; these programs in turn provide access to capital and business skills to aspiring low-income entrepreneurs.

The affordable housing plan includes several activities that trigger Section 3 requirements. These requirements apply to development activities conducted through the CDBG and HOME programs intended to have local benefits both in hiring and contracting to local business and low-income residents.

## **SP-80 Monitoring**

**Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

All programs within the Consolidated Plan are monitored on an on-going basis.

Financial monitoring is completed on a sub-grantee/project sponsor level based on risk assessment. Financial monitoring includes a review of accounting practices and procedure and a review of transactions on a programmatic level. Monitoring includes both onsite and desk monitoring.

DHCD monitors program spending to assure that the department is meeting its action plan targets and federal regulations on the amount of funds committed and expended by program and sub allocations (e.g., CHDO set aside); the number of types of units/projects created by program, sub allocations, and by type (e.g., special needs); the occupancy data by program and sub allocation requirements; and income targeting by program and sub allocation.

On a project or activity level, project sponsors, sub-grantees, and sub-recipients are monitored on a regular basis in accordance with program specific guidelines, risk assessments, and state and federal regulations (e.g., labor standards). All programs conduct these monitoring activities annually, based on risk assessments, and/or as needed. The DHCD approach to project and activity monitoring is to both ensure compliance and to provide appropriate technical assistance to assure the long-term success of our partners, programs, and the clients that they serve.

## **Action Plan: July 1, 2013 – June 30, 2014**

### **Expected Resources**

## **AP-15 Expected Resources**

### **Introduction**

In the 2013-2014, the Department of Housing and Community Development (DHCD) will leverage more than \$50 million in federal and state funding toward addressing affordable housing and community development needs in the Commonwealth. Over the course of the five-year Consolidated Plan Virginia will make available approximately \$130 million in HUD funds through the CDBG, HOME, HOPWA, ESG programs to:

- Increase the number of affordable housing units
- Increase the number of affordable units for special needs populations
- Decrease numbers experiencing homelessness
- Create competitive and sustainable communities



## Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	15,670,951	0	2,000,000	17,670,951	62,683,804
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	691,229	0	0	691,229	2,764,916
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	6,895,250	500,000	2,331,714	9,726,964	27,581,000
ESG	public - federal	Conversion and rehab for transitional housing	2,862,072	0	0	2,862,072	11,448,288

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	
		Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing					

**Table 55 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

The federal resources will be leveraged along with other state resources to provide affordable housing, community development, and to address issues impacting causing homelessness. These resources include state allocations to increase the number of permanent supportive housing and affordable housing units, to provide rapid re-housing and homeless assistance, to prevent homelessness, and state funds for the rehabilitation of homeowner units that lack indoor plumbing.

For the HOME program, the state will meet the required 25 percent match through:

- The present value of interest reductions of below-market-rate loans, where a project also receives HOME assistance.
- State general revenue funds that are contributed to housing projects assisted with HOME funds and meet the HOME affordability requirements.
- The face value of State mortgage revenue bond loans (multi-family and single family loans).

CDBG projects do not have a specific match requirement, but applicants can enhance their competitiveness by incorporating local resources.

ESG requires a dollar for dollar match. DHCD will use state general funds appropriation for homeless prevention and homeless services as the

match for the ESG program.

The HOPWA program does not have a match requirement.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

Not applicable.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
Increase the number of affordable housing units	2013	2017	Affordable Housing		Lack of affordable housing units	HOPWA: \$680,000 HOME: \$3,000,000	Rental units constructed: 15 Household Housing Unit Rental units rehabilitated: 15 Household Housing Unit Homeowner Housing Added: 4 Household Housing Unit Direct Financial Assistance to Homebuyers: 75 Households Assisted Tenant-based rental assistance / Rapid Rehousing: 150 Households Assisted
Increase number of special needs housing units	2013	2017	Affordable Housing Non-Homeless Special Needs		Lack of housing units for special needs population	HOME: \$3,000,000	Rental units constructed: 15 Household Housing Unit Rental units rehabilitated: 15 Household Housing Unit Homeowner Housing Rehabilitated: 50 Household Housing Unit
Decrease numbers experiencing	2013	2017	Homeless		Individuals and families experiencing homelessness	HOME: \$400,000 ESG:	Tenant-based rental assistance / Rapid Rehousing: 300 Households Assisted

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
homelessness						\$2,860,000	Homeless Person Overnight Shelter: 3000 Persons Assisted Homelessness Prevention: 500 Persons Assisted Housing for Homeless added: 3 Household Housing Unit
Create competitive and sustainable communities	2013	2017	Non-Housing Community Development		Barriers to competitive/sustainable communities	CDBG: \$15,600,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 98172 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 5 Households Assisted Public service activities other than Low/Moderate Income Housing Benefit: 1367 Persons Assisted Facade treatment/business building rehabilitation: 105 Business Rental units constructed: 43 Household Housing Unit Rental units rehabilitated: 51 Household Housing Unit Homeowner Housing Rehabilitated: 335 Household

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
							Housing Unit Direct Financial Assistance to Homebuyers: 39 Households Assisted Jobs created/retained: 140 Jobs Businesses assisted: 14 Businesses Assisted Buildings Demolished: 12 Buildings

**Table 56 – Goals Summary**

## AP-25 Allocation Priorities

### Introduction

DHCD seeks to improve the lives of Virginians by:

- Increasing the number of affordable housing units
- Increasing the number of affordable units to meet the needs of special needs populations
- Decreasing the number of individuals and families experiencing homelessness
- Creating competitive and sustainable communities

DHCD works to achieve these goals through:

- Leveraging of resources to support effective community programs working toward these goals
- Developing strategic partnerships to address barriers to achieving these goals
- Providing planning, coordination, and management of strategies to meet these goals

### Funding Allocation Priorities

Program	Increase the number of affordable housing units	Increase number of special needs housing units	Decrease numbers experiencing homelessness	Create competitive and sustainable communities	Colonias Set-Aside	Total
CDBG	0	0	0	100	0	100
HOPWA	100	0	0	0	0	100
HOME	40	40	20	0	0	100
ESG	0	0	100	0	0	100

Table 57 – Funding Allocation Priorities

### Reason for Allocation Priorities

These allocation priorities are based on the Consolidated Plan needs assessment, market analysis, and input from other state agencies, localities, local housing and service providers, regional planning groups, ESG grantees and sub-grantees, Continua of Care, and the public. These allocations will be leveraged to meet local needs across the state and to support best practices and proven methods to address these priority

needs.

**How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?**

HOME funds will be leveraged to address the affordable housing and homelessness priority needs. Specifically these funds will be used to fund rental rehabilitation and new construction projects that will add additional affordable housing units and/or preserve existing affordable units based on local needs. These funds will be used in exiting homeowner units, rental projects, and homebuyer development projects to increase the availability of accessibility units for special needs populations. HOME funds will also be used to develop permanent supportive housing units to help address housing needs of chronically homeless individuals.

HOPWA funds are limited to income eligible individuals with HIV/AIDS and their families. These funds will help to provide affordable housing units for this population.

ESG will be fully leveraged along with other state resources to reduce the number of individuals and families experiencing homelessness. These funds will also focus on shortening the length of time people experience homelessness and reduce the number of individuals returning to homelessness.

CDBG will be used to address locally identified needs to develop competitive and sustainable communities. These funds will be used in a number of ways including developing public facilities and/ infrastructures, creating/retaining jobs, developing affordable housing opportunities, and providing assistance to local business.



## AP-30 Methods of Distribution

### Distribution Methods

State Program Name	Funding Sources
Affordable and Special Needs Housing (ASNH)	HOME
Down Payment Assistance	HOME
Indoor Plumbing Rehabilitation (IPR) program	HOME
CHDO Assistance: Operating Support/Predevelopment Loans	HOME
HOPWA	HOPWA
Emergency Solutions Grant (ESG)	ESG
CDBG Planning Grants	CDBG
Construction-Ready Water and Sewer Fund	CDBG
Community Economic Development Fund	CDBG
CDBG Competitive Grants	CDBG
Urgent Need Open Submission Projects	CDBG
Local Innovation Program	CDBG
Self-Help Virginia	CDBG

**Table 58 - Distribution Methods by State Program**

### State Programs Addressed

#### Affordable and Special Needs Housing (ASNH)

The Affordable Housing and Special Needs Housing program provide flexible, below-market-rate loans to projects that create or preserve affordable housing for lower-income Virginians. Broadly eligible activity types include rental and homebuyer rehabilitation and new construction. Please see the Affordable and Special Need Housing program guidelines for more details.

## **Criteria and their importance**

HOME funds assigned to the Affordable and Special Needs Housing programs will be distributed on a quarterly basis through a competitive application process that evaluates applicant projects on:

- Meeting critical needs – worth 40 points
- Feasibility (likelihood of projects coming to a timely completion) – worth 30 points
- Developer capacity (ability to successfully complete projects and deliver affordable housing) – worth 30 points

Priority will be given to projects located in non-HOME entitlement localities, CHDO projects, and special needs projects.

All applications received by the deadline for the quarter will be reviewed by DHCD staff. Applications not meeting established thresholds for funding will not be eligible for funding during the quarter that the application was received, but will receive comments and feedback upon request from DHCD staff and will be allowed to reapply during the subsequent quarters within the program year. Proposals cannot be carried into the next program year. All applicants must score at least 60 points on the application in order to be qualified for funding. All qualified applications will then be ranked based on score and the highest scoring applicants will receive a funding commitment from DHCD based on project needs, up to the amount of funds available for the quarter. If the full quarter of available funding is not committed, it is carried forward into the next quarter, as needed, to be made available to proposals meeting threshold requirements and scoring at least 60 points.

Applicants that have outstanding audit or monitoring findings, unresolved IRS findings, and/or applicants not in compliance with previous DHCD agreements are ineligible for funding.

Eligible applicants must be qualified developers of affordable housing, including certified CHDOs undertaking CHDO-eligible activities throughout the Commonwealth of Virginia. All funds are intended for use with other types of financing including, but not limited to, low income housing tax credits, bond financing, and other public and private funds. Please note that HOME compliance requirements apply. Other funding source requirements must be compatible with HOME program requirements.

## **Resource Allocation among Funding Categories**

Funding will be allocated by funding category based on submitted proposals and local market and need.

## **Threshold Factors and Grant Size Limits**

All proposals must meet threshold requirements for funding. These include:

- Eligible project type
- Eligible activity type
- Eligible applicant (no outstanding findings)
- Local match (25 percent) provided for projects in HOME entitlement areas
- Proposal meets uniform relocation requirements
- Proposal meets accessibility requirements
- Must score at least 60 points
- Maximum funding amounts are \$800,000 (\$750,000 developer costs and \$50,000 DHCD project costs) for special needs projects and \$700,000 (\$650,000 developer costs and \$50,000 DHCD project costs) for all other eligible projects.

### Down Payment Assistance (DPA)

DPA provides down payment and closing costs assistance to income eligible first-time homebuyers to obtain homes that are decent, safe and accessible. The program goal is to provide homeownership opportunities to households that otherwise may not have the opportunity to own a home. By providing these opportunities DHCD helps to sustain affordable housing units and overall growth in personal wealth and equity for low-income Virginians.

The DPA program seeks to provide this assistance statewide through local sub-recipient that provide comprehensive homeownership services including for example housing counseling, debt repair services, and foreclosure prevention.

### **Criteria and their importance**

DPA will be administered by regional state sub-recipients selected through a competitive application process. Sub-recipient selection will be made as a result of an open competitive application process whereby proposals meeting threshold requirements are scored and ranked based on the following categories:

- Need (40 percent)
- Organizational capacity (30 percent)

- Program approach (30 percent)

Applicants must be a non-profit or a unit of government targeting services to individuals living within the Virginia. All nonprofit applicants must have and be current on 990 filings (not applicable to units of government).

Applicants must demonstrate the ability to manage all applicable state and federal policies and procedures including compliance with federal and state non-discrimination laws.

Applicants must be experienced with providing similar assistance and should provide a comprehensive approach to homeownership.

All applicants must demonstrate the ability to coordinate DPA assistance with other HOME funds or other types of assistance.

Applicants must have established internal control and fiscal accounting procedures and be able to track agency and program budgets by revenue sources and expenses.

Applicants with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible applicants and any sub-recipient selected for funding will not be eligible for subsequent allocations if any of these conditions occur. Please note that DHCD will work with all interested parties toward the resolution of unresolved matters, where appropriate.

Applicants must demonstrate the ability to meet all reporting and record keeping requirements.

#### **Resource Allocation among Funding Categories**

In the DPA program HOME funds are limited to needed down payment and closing costs, the costs associated with conducted required inspections, and housing counseling.

#### **Threshold Factors and Grant Size Limits**

Applicants must meet threshold requirements from above and score at least 60 points based on a panel review of each proposal. Grant sizes will be awarded based on score, local market, and available funds.

### Indoor Plumbing Rehabilitation (IPR)

The Indoor Plumbing Rehabilitation/Loan Program (IPR) provides 0% interest loans in non-entitlement cities and counties of Virginia to low- to moderate-income (LMI) owner-occupants of substandard housing where indoor plumbing does not exist or the waste disposal system has failed.

#### **Criteria and their importance**

The annual allocation for the IPR program will be approximately \$4,400,000 in federal and state funds. The program year begins July 1 through June 30 concurrent with the state fiscal year. The program provides complete indoor plumbing for LMI households and also provides for the general rehabilitation of these units, and for accessibility improvements or relief from overcrowded conditions, as needed, once the primary income, ownership and failed plumbing criteria are met.

#### **Resource Allocation**

The Department of Housing and Community Development will contract with six regional subrecipients (non-profit housing providers and a planning district commission) to administer the IPR program. Each subrecipient will receive a specified initial allocation and the balance will be distributed based on performance.

#### **Threshold Factors and Grant Size Limits**

The subrecipients are responsible for most program operations including outreach, application intake, beneficiary and property eligibility determination, financial packaging, construction management, and loan servicing. Each subrecipient has direct ties to the community via its local housing rehabilitation advisory board and local implementation partners. The beneficiary household must be low- to moderate-income, owner occupied and must lack complete indoor plumbing. Generally, the maximum rehabilitation limit is \$70,000 plus soft costs.

### CHDO Assistance: Operating Support/Predevelopment Loans

CHDO Operating Support and Predevelopment Loans are two types of special assistance for CHDO that will be made available during the 2013 – 2014. CHDO operating support will provide reimbursements for operating expenses. The Predevelopment Loan provides funding for predevelopment cost to CHDOs for special needs housing development projects.

#### **Criteria and their importance**

DHCD allocate funding on a quarterly basis based on a quarterly application. Applicants must be in good standing with DHCD and have a current funding commitment in order to be eligible for CHDO operating. CHDOs must be able to demonstrate need in order to qualify for operating assistance.

Eligible applicants for the Predevelopment Loan Program are non-profit organizations which have been certified by the Department of Housing and Community Development (DHCD) as having met the HUD and State requirements for designation as a Community Housing Development Organization (CHDO) and which plan to become either:

- The owners (sole owner or managing partner with another entity) of newly constructed or rehabilitated rental housing for occupancy by low and very low income households as set forth in Affordable and Special Needs Housing (ASNH) Program Guidelines; or
- The project sponsor of a property that is owned solely or partially by the sponsor and the sponsor agrees to convey ownership to a second non-profit at a predetermined time prior to or during development or upon completion. ;or
- The developer of single family homeownership opportunities for low and moderate-income households as set forth in Affordable and Special Needs Housing (ASNH) Program Guidelines.

Eligible applicants must be CHDOs with previously completed DHCD HOME funded projects.

DHCD will not enter into funding agreements with any applicants with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues. Please note that DHCD will work with all interested parties toward the resolution of unresolved matters, where appropriate.

### **Resource Allocation among Funding Categories**

HOME funds will support both CHDO operating expenses and eligible predevelopment project costs. For CHDO operating support eligible costs are limits to organizational operating cost (project specific costs are not allowable). For predevelopment costs - all costs must be related to a specific project which, if deemed feasible, would result in an ASNH application for project financing. CHDOs receiving the assistance are required to provide project status updates to DHCD with a final project ASNH application submitted within one year from the initiation of the pre-development loan.

### **Threshold Factors and Grant Size Limits**

For a predevelopment loan -the applicant must certify that there is a reasonable expectation that the project will prove feasible and will result in an application for ASNH funding. All loans are limited to \$30,000 for predevelopment.

CHDO Operating support the CHDO must demonstrate need and assistance will be issues up to \$50,000 for a one-year contract period.

Project costs may not exceed customary and reasonable project preparation costs.

### HOPWA

The Housing Opportunities for Persons With AIDS (HOPWA) program was authorized by the National Affordable Housing Act of 1990 and revised under the Housing and Community Development Act of 1992, to provide states and localities with the resources and incentives to devise and implement long-term comprehensive strategies for meeting the housing needs of low-income persons with Acquired Immunodeficiency Syndrome (AIDS) and related diseases, and their families. Activities of primary importance are providing housing assistance and services that assist this population to maintain housing stability where they can maintain complex medication regimens and address HIV/AIDS related problems.

#### **Criteria and their importance**

HOPWA funds for the 2013-14 program year are allocated through a CoC-based application process. An estimated \$650,000 in HOPWA funds will be allocated through this process.

The amount of funding received within any CoC is based on the following:

- CoC application score;
- Local spending plan;
- Local need;
- Alignment of the CoC approach with state and federal goals;
- Alignment of proposed activities with state goals and available funding; and
- Available funds.

#### **HOPWA only: Method of selecting project sponsors**

Grantees are funded as a result of a CoC-based application process. The CoC-based application will identify specific organizations that will carry out HOPWA activities. DHCD will contract directly with these individual organizations or grantees. Grantees must be non-profits or units of local government and current on 990 filings (not applicable to units of government).

A primarily religious organization must establish a completely secular, private, non-profit organization to serve as the grantee. See the *Other Requirements* section of this document for more details on limits to funding primarily religious organizations.

Grantees must be in compliance with program guidelines and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws.

Grantees must have established standard accounting practices including internal controls, fiscal accounting procedures and cost allocation plans, and be able to track agency and program budgets by revenue sources and expenses.

Grantees with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible grantees and any grantee will not be eligible to receive allocations if any of these conditions occur within the grant period. Please note that DHCD will work with all interested parties, where appropriate, toward the resolution of unresolved matters.

Proposed grantees without recent DHCD funding agreements will be subject to an organizational assessment prior to the execution of any DHCD funding agreement. Recent prior funding agreements must be within the past two years for one or more of DHCD's homeless or special needs services programs (HOPWA, ESG, HSG, SSG, HIP, or HPP). An organizational assessment includes a review of organization finances, accounting standards, internal controls, grievance policies, record keeping policies, confidentiality practices, conflict of interest policies, and fair housing practices. DHCD reserves the right to require and conduct organizational assessments of any proposed grantee prior to the execution of any agreement.

All proposed grantees must be registered in DHCD's Centralized Application and Management System (CAMS) and have submitted their annual audit or as applicable their reviewed financial statement through CAMS.

### **Resource Allocation among Funding Categories**

Actual resource allocation will be based on the CoC-based application process and final award amounts. The 2013-14 HOPWA funds will be focused on direct housing assistance to those most in need and supportive services for the HOPWA eligible individuals.

At least 65 percent of the total HOPWA grant to any one grantee must be expended on direct housing assistance. No more than 35 percent may be spent on supportive services.



Eligible housing activities (direct housing assistance) for this HOPWA program can be met through the provision of:

- Tenant based rental assistance (TBRA)
- Short term rental, mortgage, and utility assistance (STRMU)

Grantees may use up to seven percent of the total award for administrative costs.

### **Threshold Factors and Grant Size Limits**

Applications that score below 60 points out of a possible 100 will not be considered for funding greater than the CoC reserve amount. All funding requests must be justified by the application. Scoring criteria are as follows:

- Need – 25 points
- Approach – 25 points
- Local Coordination -25 points
- Capacity – 25 points

Applications will receive bonus points for including proposed grantees that have secured a [National Alliance to End Homelessness Rapid Re-Housing Certification](#).

Actual funding will be based on the following:

- Requested amount (total request and spending plan)
- Available funds
- Application score
- Local need
- Alignment with state and federal strategies
- Approach (proposed grantees, activities, and organizational capacity)
- Negotiations

Applications will be scored lower where ineligible activities or activities that are not aligned with state and federal goals to prevent and reduce homelessness are proposed. Lower scores will impact actual funding level. Spending plans will be reduced based on ineligible activities, where activities are not in alignment with state and federal goals, and/or where proposed grantees are either ineligible or lack the capacity to carry out

proposed activities. DHCD anticipates negotiations with each CoC in order to make needed adjustments to proposed activities and spending plans.

### Emergency Solutions Grant (ESG)

The goals of the state ESG program are:

- To reduce the number of individuals/households who become homeless;
- To shorten the length of time an individual or household is homeless; and
- To reduce the number of individuals/households that return to homelessness
- 

DHCD will meet these goals through supporting Continuum of Care (CoC) strategies and homeless service and prevention programs that align with these goals.

### **Criteria and their importance**

Applications that score below 60 points out of a possible 100 will not be considered for funding greater than the CoC reserve amount. All funding requests must be justified by the application. Scoring criteria are as follows:

- Need – 25 points
- Approach – 25 points
- Local Coordination -25 points
- Capacity – 25 points

Applications will receive bonus points for including proposed grantees that have secured a [National Alliance to End Homelessness Rapid Re-Housing Certification](#).

Actual funding will be based on the following:

- Requested amount (total request and spending plan)
- Available funds
- Application score
- Local need
- Alignment with state and federal strategies

- Approach (proposed grantees, activities, and organizational capacity)
- Negotiations

Applications will be scored lower where ineligible activities or activities that are not aligned with state and federal goals to prevent and reduce homelessness are proposed. Lower scores will impact actual funding level. Spending plans will be reduced based on ineligible activities, where activities are not in alignment with state and federal goals, and/or where proposed grantees are either ineligible or lack the capacity to carry out proposed activities. DHCD anticipates negotiations with each CoC in order to make needed adjustments to proposed activities and spending plans.

#### **ESG only: Process for awarding funds to state recipients**

This application will be a CoC-based application that will allocate state ESG and HOPWA funds for the 2013 - 2014 program year. Please note that the CoC-based application for 2014 – 2016 program years will include CSCG (Child Services Coordination Grant), ESG, HOPWA, HPP (Homeless Prevention Program), and HSG (Homeless Solution Grants) as funding is available. Only applications submitted by the lead CoC organization will be considered for funding. Total state allocations across all CoCs are limited to available funds. Total estimated funds by program are:

- ESG -\$3,000,000
- HOPWA -\$650,000

There are 19 CoCs in the state of Virginia including the Balance of State CoC. The balance of State CoC includes 51 localities and is organized into nine separate planning groups. For the purpose of this application these planning groups will be considered CoCs.

Please also note that DHCD has reserved ESG funding for each CoC. This is an amount based on the local rate of homelessness. The rate of homelessness is the number of homeless individuals based on the point-in-time count per 10,000 individuals in the CoC's geographic area. Reserve amounts must be justified by the application. Any reserve amount not fully allocated to a CoC will be allocated to the remaining CoCs as a result of this application process. Please note requests and actual CoC funding levels can and likely will vary from the reserve amount. CoCs may request and be awarded less or more than the reserve amount. All funding must be justified by the application.

Written agreements will be issued to individual grantees by July 1, 2013.

### **Resource Allocation among Funding Categories**

ESG will be allocated to shelter operations, rapid re-housing, and prevention activities based on actual contracted amounts. DHCD allows HMIS cost and administrative cost (limited to units of local government).

### **Threshold Factors and Grant Size Limits**

Grantees are funded as a result of a CoC-based application process. The CoC-based application will identify specific organizations that will carry out ESG activities. DHCD will contract directly with these individual organizations or grantees. Grantees must be non-profits or units of local government and current on 990 filings (not applicable to units of government).

A primarily religious organization must establish a completely secular, private, non-profit organization to serve as the grantee. See the *Other Requirements* section of this document for more details on limits to funding primarily religious organizations.

Grantees must be in compliance with program guidelines and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws.

Grantees must have established standard accounting practices including internal controls, fiscal accounting procedures and cost allocation plans, and be able to track agency and program budgets by revenue sources and expenses.

Grantees with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible grantees and any grantee will not be eligible to receive allocations if any of these conditions occur within the grant period. Please note that DHCD will work with all interested parties, where appropriate, toward the resolution of unresolved matters.

Proposed grantees without recent DHCD funding agreements will be subject to an organizational assessment prior to the execution of any DHCD funding agreement. Recent prior funding agreements must be within the past two years for one or more of DHCD's homeless or special needs services programs (HOPWA, ESG, HSG, SSG, HIP, or HPP). An organizational assessment includes a review of organization finances, accounting standards, internal controls, grievance policies, record keeping policies, confidentiality practices, conflict of interest policies, and fair housing practices. DHCD reserves the right to require and conduct organizational assessments of any proposed grantee prior to the execution of any agreement.

## CDBG Planning Grants

Virginia's CDBG Planning Grant program is designed to aid in developing clearly articulated strategies for addressing communities' greatest community development needs following meaningful citizen participation.

### **Criteria and their importance**

Planning Grant funding totaling \$500,000 is available on an open basis from January 1 until September 30 or until all of the funding is committed, whichever comes first.

A locality interested in obtaining Planning Grant assistance must submit an Interest Letter in accordance with format developed by DHCD. This Interest Letter will include a brief description of the project area and the community development needs in this area, a discussion of the locality's and project area's readiness and capacity to proceed with a participatory planning process, and some justification for why Planning Grant funding is needed. DHCD will review this Interest Letter and provide the applicant locality with a written response which outlines activities which must be accomplished prior to Planning Grant investment and/or which invites the locality to submit a brief Planning Grant proposal in accordance with the Planning Grant Proposal Format. Planning Grant funding is awarded following DHCD review of Planning Grant proposals.

### **CDBG only: Access of application manuals**

Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.

### **Resource Allocation among Funding Categories**

Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.

### **Threshold Factors and Grant Size Limits**

Non-entitlement local governments are eligible for assistance. A unit of local government may not have more than \$2.5 million in CDBG open projects. There are six categories of Planning Grants. The first two categories are considered Pre-Project type Planning Grants:

- Community Organizing Planning Grants;
- Community Needs Assessment / Economic Assessment Planning Grants.
- CDBG Project Planning Grants;
- Business District Revitalization Planning Grants;
- Regional Project Planning Grants; and
- Telecommunications Planning Grants.

Up to \$10,000 is available for community organizing, up to \$15,000 to conduct community and / or economic needs assessments, up to \$30,000 for project planning activities, up to \$35,000 for business district revitalization, and up to \$40,000 is available for regional project planning.

Eligibility under this program is subject to the following minimum criteria:

- Demonstration of a clear indication of community development needs and / or opportunities.
- The needs identified must generally be eligible targets for future CDBG investments.
- There must be evidence that local officials and stakeholders alike are committed to fully identifying and addressing local needs.
- There must be evidence that the locality and management team have the time, funding, and expertise to follow through with the planning process.
- There must be a clear demonstration for the need of planning grant funds.

#### Construction-Ready Water and Sewer Fund

The Construction-Ready program provides funds for new public water and sewer service. The intent of the program is to assist projects that find themselves in an “except for” position, i.e., fully ready to provide service to a low-to moderate- income community except for all or a portion of the construction funds.

#### **Criteria and their importance**

CDBG funding totaling \$1,000,000 will be reserved for this program. Proposals will be accepted on an open basis from January 2013 to September 30.

### **CDBG only: Access of application manuals**

Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.

### **Resource Allocation among Funding Categories**

Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.

### **Threshold Factors and Grant Size Limits**

Up to \$500,000 will be available per project. A unit of local government may not have more than \$2.5 million in CDBG open projects. Assistance is provided to non-entitlement units of local government.

To be eligible for assistance, targeted communities must be made up of at least 60% low-to moderate- income (LMI) households. Additional criteria are:

- At the time of application:
  - Income surveys and user agreements one year old or less must document eligibility and community demand;
  - All engineering work must be complete;
  - All necessary acquisitions must be complete;
  - Public hearings and the Environmental Review Record must be complete;
- No more than \$12,500 of CDBG funds per household served will be made available with no single grant exceeding \$500,000.
- CDBG funds cannot account for more than 75% of the construction cost of the project.
- The pre-contract phase is limited to 60 days and will include required actions by the locality's governing body, bidding construction and selecting a contractor.
- The project must be able to be completed within one year, and
- The grantee is not eligible for the 10% administrative bonus for timely completion.

### Community Economic Development Fund

The Community Economic Development Fund (CED) is designed to support economic development activities, particularly those creating employment opportunities for low- and moderate-income persons, in CDBG-eligible localities.

#### **Criteria and their importance**

Approximately \$2,500,000 is available under the CED Fund. Proposals are received on an open basis from January 1 through September 30. Assistance is limited to projects involving employment creation by private, for-profit basic industries. Assistance may include off-site improvements such as water lines, sewer lines, roads, and drainage. On-site assistance may be eligible in some projects, but these projects are subject to underwriting and the CDBG assistance will be made available as a loan to the locality. This loan must be repaid

#### **CDBG only: Access of application manuals**

Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.

#### **Resource Allocation among Funding Categories**

Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.

#### **Threshold Factors and Grant Size Limits**

Up to \$700,000 will be available per project. A unit of local government may not have more than \$2.5 million in CDBG open projects. A locality which finds itself in a position to apply for a CED project and is currently at or near the \$2.5 million limit MAY, at DHCD's discretion, be granted a temporary waiver of the cap limit. The locality should contact DHCD to discuss a possible waiver prior to submittal of the proposal. If the waiver is approved, the CED funds will count towards the cap limit once other CDBG projects are closed.

Assistance is provided to non-entitlement units of local government. For all CED's an irrevocable Letter of Credit, bond, or other guaranteed form of security will be required in the amount of the CED grant. This security must remain in place until all program requirements are satisfactorily met.



The nature of the financial assistance available under the CED Fund varies depending on the economic strength of the applicant localities. Localities were placed in a category based on the relative position of local statistics to statewide statistics for each of three economic factors, poverty, income, and unemployment.

Eligibility under this program is subject to the following minimum criteria:

- The subject business must provide a post-probationary wage of at least 1.5 times the minimum wage for 90% of all employees and offer an employment benefits package including medical insurance to all employees.
- The subject business must employ low- to moderate- income persons in at least 51 percent of the available positions, or, ensure that low- to moderate- income persons will receive first consideration for employment.

Economic strength of the applicant localities determines the nature of assistance available. Localities are ranked as distressed, transitional, or competitive; qualifying proposals must demonstrate the following:

- Distressed:
  - CDBG funding shall not exceed \$10,000 per job created, or \$25,000 per job in cases of local diversification.
  - The subject business must create at least 10 full-time positions.
  - The subject business must make a private investment of at least \$100,000.
  - Local government financial contribution must be at least 25% of CDBG eligible costs.
  - CDBG funding shall not exceed \$25,000 per job created for local diversification or \$10,000 per job created for other businesses.
- Transitional:
  - The subject business must create at least 20 full-time positions.
  - The subject business must make a private investment of at least \$300,000.
  - Local government financial contribution must be at least 25% of CDBG eligible costs.
- Competitive:
  - The subject business must create at least 50 full-time positions.
  - The subject business must make a private investment of at least \$3,000,000.
  - Local government financial contribution must be at least 50% of CDBG eligible costs.
  - Non-local public funding shall not exceed \$10,000 per job created.

### CDBG Competitive Grants

Competitive funds can be used to provide infrastructure for new or expanding industries, provide new or improved water and sewer systems in rural areas, rehabilitate housing in declining neighborhoods, revitalize commercial districts, provide support to small businesses, and provide facilities for a variety of needed services, such as health clinics in underserved areas. Applicants are required to prove that their project will meet one of three broad national objectives: principally benefit low- and moderate- income persons, prevent or eliminate slums or blight, or address an urgent community development need (public emergency or health threat).

### **Criteria and their importance**

Most CDBG assistance is distributed in the form of Competitive Grants with proposals due in the spring of each year. As the name suggests, these grants are awarded following competitive evaluation of project proposals. Approximately \$7 million will be available for Competitive Grants in 2013.

There are five primary project types under the Competitive CIG option:

- Comprehensive Community Development
- Economic Development
- Housing
- Community Facility
- Community Service Facility

Competitive grant proposals received by DHCD are evaluated qualitatively and quantitatively scored according to a 1000 point scale based on the items identified below. The highest ranking proposals are recommended for funding. Proposals are funded, in order of the ranking, to the greatest extent allowed by available funding. Following the closing date of the non-competitive programs, any funds remaining in the non-competitive programs and any program income received during the year are recaptured and made available to fund the next highest ranking competitive proposals. The next highest ranking additional proposals are funded to the greatest extent allowable by available funding.

All competitive proposals are scored on a scale of 1000 points with the following point values:

- Composite Fiscal Stress (Maximum of 180 points)
- Regional Priorities (Maximum of 50 points)

- Project Needs and Outcomes (Maximum of 145 points)
- Costs and Commitment (Maximum of 145 points)
- Readiness and Capacity (Maximum of 150 points)
- Impact (Maximum of 130 points)
- Meeting a National Objective (Maximum of 200 points)

#### **CDBG only: Access of application manuals**

Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.

#### **Resource Allocation among Funding Categories**

Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.

#### **Threshold Factors and Grant Size Limits**

Assistance is provided to non-entitlement units of local government. Up to \$1,000,000 is available for economic development, housing, and infrastructure projects, up to \$700,000 for community service facility projects, and up to \$1.4 million is available for projects that will comprehensively improve a neighborhood through water, sewer, street, and housing improvements. In cases of two or more localities participating in a project with a regional impact, some grant limits can increase.

A unit of local government may not have more than \$2.5 million in CDBG open projects.

### Urgent Need Open Submission Projects

The Urgent Need program enables prompt response to existing serious and immediate threats to local health and safety.

#### **Criteria and their importance**

\$1,000,000 is available for Urgent Need projects. CDBG assistance will generally be made available to projects which consist of activities in support of long-term recovery. CDBG assistance will generally not be made available to projects with public facility failures resulting from neglected maintenance by a locality. Assistance for LMI benefit is prioritized.

#### **CDBG only: Access of application manuals**

Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.

#### **Resource Allocation among Funding Categories**

Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.

#### **Threshold Factors and Grant Size Limits**

Up to \$700,000 will be available per project. A unit of local government may not have more than \$2.5 million in CDBG open projects. A locality which finds itself in a position to apply for a critical Urgent Need Open Submission project and is currently at or near the \$2.5 million limit MAY, at DHCD's discretion, be granted a temporary waiver of the cap limit. The locality should contact DHCD to discuss a possible waiver prior to submittal of the proposal. If the waiver is approved, the Urgent Need funds will count towards the cap limit once other CDBG projects are closed.

Assistance is provided to non-entitlement units of local government.

All UNOS proposals and activities must meet the following thresholds:

- The proposed project must alleviate existing conditions which pose a serious and immediate threat to the health and welfare of the community; and,
- The conditions developed or became urgent within 18 months of the date the proposal is submitted; and,
- The applicant locality is unable to finance the project on its own, no other funding is available to address the problem, and the CDBG funding will be directly targeted towards alleviation of the threatening conditions; and,

The threat must be supported by either:

A current declaration of an emergency by the Governor of Virginia relative to a flood, a hurricane, a tornado, an earthquake, or other disaster event, not including droughts, snow, or ice conditions.

OR

A current declaration of an immediate and severe health threat by the State Commissioner of Health relative to the complete failure of a public water or sewer system or incident of similar significance.

#### Local Innovation Program

This program helps to implement new, innovative, and/or timely community development projects.

#### **Criteria and their importance**

Approximately \$1,000,000 is available under this program. Proposals are received on an open basis from January 1 through September 30. Examples of projects which can be supported includes: Individual Development Account programs, loan funds to support Economic Restructuring activities, entrepreneurship development, heritage tourism projects, and last mile telecommunications projects.

**CDBG only: Access of application manuals**

Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.

**Resource Allocation among Funding Categories**

Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.

**Threshold Factors and Grant Size Limits**

Up to \$200,000 is available per project; however, Local Innovation projects that will have a regional impact and involve clear participation from two or more applicant localities are eligible for up to \$300,000 in CDBG assistance. These projects must meet all other qualifications of the Local Innovation Program, and must have at least a 25% cash match from at least one of the applicant localities. A unit of local government may not have more than \$2.5 million in CDBG open projects. Assistance is provided to non-entitlement units of local government.

Projects are evaluated on the intended outcomes, the nature of the innovation, the need, capacity to carry out the project, and the long-term benefit of the project. Projects must demonstrate a direct relationship between intended project efforts and measurable, tangible improvements to the health of the community being served.

Self-Help Virginia

Self-Help Virginia provides funding in support of infrastructure projects, specifically water and sewer projects, wherein community residents and stakeholders substantially participate in the construction activities. Funding is available on an open basis between January 1 and September 2013.

### **Criteria and their importance**

CDBG funding totaling \$1,000,000 will be reserved for Self-Help projects. To be eligible for participation in Self-Help Virginia, projects must possess the following characteristics:

- There must be a neighborhood or community consensus about the existence of the problem to be addressed;
- There must be a demonstration of community capacity to manage the self-help project with sufficient energy and vision to see the project through to completion; and,
- There must be at least a 40 percent savings from the proposed Self-Help construction compared to conventional construction.

The goal of these projects is to tap neighborhood talent, manpower, and creativity to provide water and sewer services in areas where conventional construction costs make such provisions prohibitive. The most common examples of specific self-help activities are neighborhood residents acting as project managers, installing water and sewer lines, and operating leased or donated equipment. Resident contributions depend on resident abilities. Construction must meet all applicable codes and regulations.

### **CDBG only: Access of application manuals**

Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.

### **Resource Allocation among Funding Categories**

Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.

### **Threshold Factors and Grant Size Limits**

Up to \$350,000 will be available per project. A unit of local government may not have more than \$2.5 million in CDBG open projects. Assistance is provided to non-entitlement units of local government. These projects are exempt from the Preliminary Engineering Report standards of other projects. These projects do require a cost estimate which reveals the 40 percent savings required, clear description of the proposed improvements, and a map of the service area with the proposed layout of lines and other improvements.

All proposals must include evidence that at least one well-attended community meeting has occurred and that the project is supported by the community, that at least 51 percent of the proposed beneficiaries are low- and moderate-income per survey results, and that residents are willing to work on the project and have some sense of the skills available in the community. Also required are signed user agreements which show residents' willingness to connect to water and/or sewer lines as part of the project.



### **AP-40 Section 108 Loan Guarantee**

**Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

No

## **AP-45 Community Revitalization Strategies**

**Will the state allow units of general local government to carry out community revitalization strategies?**

Yes

### **State's Process and Criteria for approving local government revitalization strategies**

The Commonwealth, specifically, DHCD, does not have a formal approval mechanism for local government revitalization strategies as it applies to the Consolidated Plan. Instead, as described in prior sections, the Commonwealth utilizes resources, such as CDBG, in eligible areas of Virginia to assist with community revitalization. DHCD invests significantly in technical assistance, working closely with communities to identify priority issues and develop solutions to those identified needs. Where appropriate, financial resources from DHCD may be deployed to assist. Funding from DHCD is available through both threshold based programs and on a competitive basis. Funds can be used to address a wide range of revitalization needs, from comprehensive neighborhood improvements, downtown revitalization, infrastructure, economic development, and projects to meet critical items such as the lack of affordable and accessible health care. When partnering with communities, DHCD views itself as an investor and as such, commits to work in close consultation with local governments and their partners.

## **AP-50 Geographic Distribution**

### **Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed**

This Consolidated Plan is for a State grantee. The Commonwealth is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated populations, including African American, Hispanic, Asian, and others. The Commonwealth's method of distribution selects projects and proposals targeted at meeting priority local needs and during implementation, steps are taken to affirmatively further fair housing.

### **Rationale for the priorities for allocating investments geographically**

There are concentrations of poverty in every region of the state. This concentration varies based on local factors. The Commonwealth's method of distribution will select project sand proposals that address these needs within the context of local and regional needs.

## Affordable Housing

### AP-55 Affordable Housing

#### Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	3,315
Non-Homeless	632
Special-Needs	180
Total	4,127

**Table 62 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through	
Rental Assistance	950
The Production of New Units	75
Rehab of Existing Units	366
Acquisition of Existing Units	112
Total	1,503

**Table 63 - One Year Goals for Affordable Housing by Support Type**

## **AP-65 Homeless and Other Special Needs Activities**

**Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

**Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Overall the Commonwealth seeks to reduce the number of individuals experiencing homelessness by 15 percent by the end of a three-year period (ending in 2014). In addition DHCD is administering ESG and HOPWA funds based on a CoC-based application that will focus on CoC-based outcomes including:

- Decreasing the number of individuals experiencing homelessness
- Shortening the length of time people are homeless
- Reducing the number of people returning to homelessness

**Addressing the emergency shelter and transitional housing needs of homeless persons**

The Commonwealth of Virginia leverages both state and federal resources to address the needs of homelessness individuals and families. These resources include those for prevention, rapid re-housing, and shelter operations. The state's goals are to reduce the number of individuals experiencing homelessness, to shorten the length of homelessness, and to reduce the numbers of people returning to homelessness.

The Commonwealth has transitioned to a CoC-based application process for the allocation of both state and federal homeless assistance and prevention funding. CoC application reviews and funding levels are based, in part, on local alignment with these state goals.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

State goals and a transition to CoC-based funding have better aligned state resources to focus on permanent housing. State goals include specific objectives to reduce homelessness by 15 percent by 2014 and a goal to increase the number of permanent supportive housing units.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities,**

**foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The Commonwealth of Virginia leverages state resources to divert low-income individuals and families from homelessness. The state's program requires that homeless prevention providers participate in coordinated assessment systems and that prevention resources are targeted to those seeking homeless assistance in order to better target those most likely to become homeless.

## AP-70 HOPWA Goals

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	100
Tenant-based rental assistance	50
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	150

## **AP-75 Barriers to affordable housing**

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

**Discrimination in the rental and sales housing markets - Particularly, discrimination in the rental housing market based on disability, race, national origin, and familial status:**

- Increase testing and enforcement efforts in the rental and sales housing markets to ensure that members of protected classes are being offered an equal opportunity to access all housing options in their communities; well publicized results of testing programs.
- Increase the use of electronic fair housing testing measures (i.e. email testing).
- Increase education efforts for landlords, leasing agents, and real estate professionals about their fair housing responsibilities; in particular, stress the importance of making reasonable accommodations for persons with disabilities and knowing proper occupancy standards for families with children.
- Increase education efforts for individuals seeking housing so they are aware when they are victims of discrimination and so that they are aware of their options to resolve the situation.
- Increase enforcement of affirmative marketing of affordable housing options to members of the protected classes.

**Constraints in the mortgage lending market - Minorities experience higher denial rates in the mortgage markets at all income levels, particularly at the lowest income levels in the conventional loan market. Subprime mortgages are also an issue of note for minority borrowers:**

- Increased oversight of mortgage lending and denial practices.
- First-time homebuyer education, affirmatively marketed to minorities.
- Continued support of financial literacy and credit counseling initiatives.
- Increased assistance and counseling efforts for individuals in foreclosure; particularly those with subprime mortgages.
- Increased awareness regarding the availability of Federal Housing Administration (FHA) loans.

**Limited understanding of fair housing issues among real estate agents, landlords, housing providers, local officials, and especially, individuals:**

- Encourage housing providers and other relevant stakeholders to utilize social networking to inform both clients and landlords of fair housing policy.
- Inclusion of "Prohibited Discriminatory Practices" on the Section 8 Landlord Certification

**Disproportionate effects of certain local ordinances on members of various protected classes:**

- A review of local ordinances that might affect fair housing choice.



- Enhanced education efforts for local officials (elected, appointed, and staff) in regards to fair housing law.
- Promote the creation of local land use ordinances that allow for varied housing types and for the inclusion of accessible housing.

**Availability and access to quality affordable housing; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market:**

- Continued support of federal, state, and local efforts to preserve and produce quality affordable housing,
- Support of public-private partnerships that create affordable and mixed-income housing.
- Promote the use of housing databases such as those offered by the Virginia Housing Development Authority (VHDA), <http://www.virginiahousingsearch.com/>.

## Program Specific Requirements

### AP-90 Program Specific Requirements

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220.(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	200,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>200,000</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	2
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	80.00%

**HOME Investment Partnership Program (HOME)**  
**Reference 24 CFR 91.220.(I)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The Commonwealth utilizes only forms of investment included in Section 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Homebuyer HOME-assisted units structured as direct buyer assistance (down payment assistance) are subject to a recapture provision in order to assure that the units either remain affordable (i.e., housing eligible clients) or that DHCD recovers its investment based on the terms of the agreement. Please note that unit HOME assistance may also include a developer subsidy. In these cases, recapture applies and the amount to be recaptures is limited to the amount of direct buyer assistance (not the developer subsidy).

Virginia will use the recapture provision at §92.254(a)(5)(ii)1)- to recapture the entire amount. The total original amount of the direct buyer assistance is recaptured from the net proceeds in the case of sale, refinance (see exception below), foreclosure or failure to maintain as primary residency prior to the end of the affordability period.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

In these cases the required amount returned (total assistance amount from net proceeds) is due and payable in full to DHCD to the Treasurer of Virginia. The HOME assistance may not be subordinated to refinancing of the first lien position primary mortgage or an equity loan or line of credit during the period of affordability except under special hardship conditions at DHCD's discretion. Affordability requirements are secured by a Restricted Deed of Covenant in the amount of direct assistance. The HOME loan is forgiven in full at the end of the affordability period.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

HOME funds will not be used to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

## Emergency Solutions Grant (ESG)

1. Include written standards for providing ESG assistance (may include as attachment)

The Commonwealth requires that all ESG grantees submit to DHCD written standards (policies and procedures) for providing ESG assistance. DHCD approves only those standards that are in compliance with ESG regulations and are consistent with state and federal goals.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Commonwealth has initiated a CoC-based funding process. Each CoC in the Commonwealth is required to implement a centralized or coordinated assessment system in order to be eligible for state or federal funding administered through the state (DHCD).

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The Commonwealth will make sub-awards through a CoC-based application process. CoCs must submit applications for funding through DHCD's online Centralized Applications and Management System (CAMS). The application will be reviewed by a panel and evaluated based on local need, capacity, approach, and local coordination. Applications will identify specific grantees within the CoC to carry out eligible activities. DHCD will contract directly with these grantees. Both nonprofits and units of local government are eligible grantees. Faith-based organizations are required to have separate 501 c 3 status established to meet eligibility requirements. DHCD will monitor individual grantees. Performance measures will be evaluated on both the grantee and CoC level.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The requirement does not apply to states.

5. Describe performance standards for evaluating ESG.

Performance measures will be evaluated on both the grantee and CoC level. Specifically DHCD's goals are to reduce the number of individuals experiencing homelessness, to shorten the length of time people experience homelessness, and to reduce the number of individual returning to homelessness.

DHCD has initiatives underway that are establishing specific measures and baselines to measure progress over time on these goals. DHCD is also in the process of establishing CoC-based reporting and data standards and a portal and process for submitting CoC-level data with the objective to have state level homeless data available for planning purposes.